



September 27, 2023

Testimony on Senate Bill 93 - Grants to Technical College and Tribal College Students for Apprenticeship Expenses

Chairman Feyen and Members of the Committee:

I write today on behalf of Wisconsin's 16 local technical college district boards to ask for your support for Senate Bill 93. Technical colleges have been education partners in the state's registered apprenticeship program for more than a century. Today, Wisconsin continues to lead the nation with flourishing apprenticeship and youth apprenticeship programs throughout the state. Renewed interest in low-cost education and training translated to an 11% increase in apprenticeship enrollments between 2019 to 2023. The most recent Apprenticeship Completer Report, published by the WTCS, found that for students who completed their apprenticeships in 2021:

- earned a median wage of \$84,000 annually
- starting wages grew by 8.4% in just two years
- 99% were employed, and 97% live and work right here in Wisconsin.

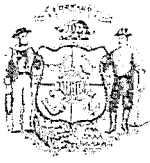
We often hear that workforce shortages challenging employers, but when it comes to skilled workers, the truth is that we are all challenged. We are all challenged when we call a plumber or an electrician for a needed repair, and we're told the wait will be days or weeks. When a storm damages power lines, and we wait in darkness while understaffed utility lineworkers work their way to our neighborhood. Or when our test results are delayed, because the doctor's office never seems to have enough lab techs. *Wisconsin depends on a skilled workforce.*

At technical colleges, we know that otherwise capable students often face big barriers going back to school, rejoining the workforce, or getting out of an entry-level job and into a real career. Professional grade tools and equipment cost hundreds or even thousands of dollars, depending on the profession. In many industry settings, it is standard for workers to supply their own tools, uniforms, or other personal equipment necessary to work. While "traditional" college students can count on a variety of grants and loan programs from the state and federal governments, apprentices are unfairly left out. They are *ineligible* for traditional forms of financial aid to support their postsecondary education.

Through the longstanding Tools of the Trade scholarship funded by Ascendium, we have learned that modest assistance makes all the difference: scholarship recipients have a 95% retention rate, and a much better chance of reaching their career goals. However, with growing enrollments and demand for skilled workers at an all-time high, private donations can no longer keep up. SB-93's focused support for trades will help ease our skilled workforce shortages. We ask for your help to ensure that the next generation of construction, industrial, and skilled service workers will be there to keep our lights on, our factories humming, our personal data secure, and our roads and bridges safe.

Please support SB-93 and give these students fair access to a financial aid program that is built for them.

Respectfully submitted,
Layla Merrifield
Executive Director
Wisconsin Technical College District Boards Association



ANDRÉ JACQUE

STATE SENATOR • 1ST SENATE DISTRICT

Phone: (608) 266-3512

Fax: (608) 282-3541

Sen.Jacque@legis.wi.gov

State Capitol - P.O. Box 7882

Madison, WI 53707-7882

Testimony before the Senate Committee on Economic Development and Technical Colleges

Senator André Jacque

September 27, 2023

Thank you Mr. Chairman and colleagues for holding this hearing and the opportunity to appear before you as the author of Senate Bill 93, which would expand the Tools of the Trade Program.

Wisconsin employers desperately need skilled workers. Apprenticeships have been successful in helping meet the demand, but the road to complete them is long and paved with financial challenges that can discourage even the most motivated individuals.

In response to this need, this proposal enhances the Tools of the Trade apprenticeship grant program by providing the Wisconsin Technical College System Board with an additional \$100,000 per academic year to assist technical college students who have undertaken apprenticeship training courses in conjunction with instruction at their schools.

This legislation unanimously passed the Senate Committee on Economic and Workforce Development last session (as 2021 SB 157), the full State Senate 33-0 the session before that (as 2019 SB 44), and the State Assembly by a 95-0 vote the session prior to that (as 2017 AB 808). 2019 SB 44 was also specifically included within the most recent Wisconsin Governor's Council on Workforce Investment Recommendations in 2020: [Governor's Council on Workforce Investment Recommendations \(wiscwi.org\)](http://www.wisconsin.gov/cwi)

Under the bill, each individual student who qualifies is eligible to receive up to \$1,500, which must be used to assist in paying for materials and expenses associated with the apprenticeship training program, including tools, clothing, equipment, and supplies. At the request of Wisconsin's tribal governments, the bill also allocates \$21,000 annually in tribal gaming revenue for apprenticeship Tools of the Trade grants at our state's tribal colleges.

The Technical College System Board is required to establish an application process and criteria for awarding grants. The existing Tools of the Trade program is privately funded for the system by the Great Lakes Higher Education Corporation and dispenses hundreds of thousands of dollars annually in grants, which is expected to continue at that level but not meet the additional need that would be met by this legislation. The WTCS Board and WTCS districts plan to absorb the minor costs incurred related to the development of the application process, marketing of the scholarship to eligible students, evaluation of the applications, and selection of the recipients.

Since the Tools of the Trade program was established in 2013, approximately 95 percent of past recipients have either completed their apprenticeships or continued their training the following semester, a truly exceptional success rate among technical college financial aid programs. Completion is critical, as the most recent data available showed the median salary for students completing an apprenticeship to be over \$84,000. Over \$2 million in Tools of the Trade scholarships have been awarded to apprentices in Wisconsin since the program was expanded to apprentices at all WTCS colleges nine years ago.

This legislation was drafted with input and support from the Wisconsin Technical College System and is formally supported by the Wisconsin Technical College District Boards Association, Associated Builders and Contractors, Wisconsin Technology Council, Menominee Indian Tribe and the Ho-Chunk Nation. Through expansion of the Tools of the Trade Apprenticeship Program, WTCS will better keep pace with the growing demand system-wide for assistance to apprentices, as well as provide opportunities for apprenticeship programs being started at Wisconsin's tribal colleges.

Thank you for your consideration of Senate Bill 93. I'd be happy to answer any questions.

FOR INFORMATION ONLY

Hearing on SB 93
Senate Committee on Economic Development and Technical Colleges
September 26, 2023

Greetings Chairperson Feyen, Vice Chair Stafsholt, and members of the Committee.

Thank you for the opportunity to address the Committee. I am sorry that I could not attend the hearing in person. My name is Bethany Miller, Director, Learning & Impact in the Education Philanthropy division of Ascendium Education Group.

I'd like to highlight one story about a plumbing apprentice at Western Technical College: His name is Alex Pedretti. Earlier this year, Alex—and 790 other low-income apprentices in construction and industrial trades at the Wisconsin Technical College System (WTCS)— received a \$2,000 Tools of the Trade Scholarship from Ascendium Education Group. This scholarship assists with expenses related to their apprenticeship including the purchase of tools, equipment and clothing, curriculum costs and more.

Alex described to us how the scholarship helped “fill the gap” in his family’s budget, as high inflation made everything more expensive. Our support allowed him to focus on pursuing his career goal, while providing critical services to his local community as an in-training plumber.

For many low-income Wisconsinites, like Alex, apprenticeships deliver upward mobility by providing a critical pathway to a well-paying job. Apprentices also help meet critical labor shortages that inhibit economic growth. Their value—both to individuals and their communities— is fueling national attention on ways to expand these pathways.

Yet, financial pressures can knock these hardworking individuals off this path, denying their families the bigger payoff associated with a journeyman’s license and leaving Wisconsin without the skilled labor it needs to thrive.

To help apprentices across the state overcome financial barriers to career success, Ascendium is proud to partner with WTCS on the current Tools of the Trade Scholarship program. WTCS plays an important role in delivering educational programming and other support to apprentices.

2023 marked Ascendium and WTCS’ 10th year of the Tools of the Trade Scholarship program, and to date Ascendium has awarded scholarships totaling more than \$4.2 million to 2,740 apprentices.

Because of stories like Alex’s, Ascendium pledged an additional \$8 million dollars over the next 5 years for scholarships to apprentices in the construction and industrial trades.

However, our private philanthropic dollars cannot meet all the needs. The application period is currently open for our 2024 scholarship cohort, and we are seeing demand well in excess of prior years.

Plus, our scholarship is exclusively focused on apprentices in construction and trades to honor the legacy of former Ascendium Board member Jim Elliot, who served for 22 years as President of the Milwaukee Building and Construction Trades Council. There is a critical need for support for apprentices in other fields that provide entry

into in-demand, well-paying jobs, like cybersecurity and IT, as well as jobs that are critical to the success of our larger community, like early childhood.

Through an expanded public-private partnership, we can make a difference in the lives of many more Wisconsin apprentices and expand on Wisconsin's historic leadership in apprenticeships as an important pathway to the middle class.

Thank you for the opportunity to address the Committee.