



WISCONSIN LEGISLATIVE COUNCIL

STRATEGIC JOB CREATION

Room 412 East
State Capitol

August 25, 2010
10:00 a.m. – 3:50 p.m.

[The following is a summary of the August 25, 2010 meeting of the Special Committee on Strategic Job Creation. The file copy of this summary has appended to it a copy of each document prepared for or submitted to the committee during the meeting. A digital recording of the meeting is available on our Web site at <http://www.legis.state.wi.us/lc>.]

Call to Order and Roll Call

Chair Wirch called the committee to order. The roll was called and it was determined that a quorum was present.

COMMITTEE MEMBERS PRESENT: Sen. Robert Wirch, Chair; Rep. Pat Strachota, Vice Chair; Sens. Tim Carpenter, Jim Holperin, and Randy Hopper; Reps. Louis Molepske and Keith Ripp; and Public Members Frederick Brookhouse, Jennifer Brown, John Daven, Jr., Paul Gabriel, Kim Kindschi, Connie Loden, and Todd Timmerman.

COUNCIL STAFF PRESENT: Jessica Karls-Ruplinger and Chadwick Brown, Staff Attorneys.

APPEARANCES: Sen. Fred A. Risser and Rep. Marlin D. Schneider, Co-Chairs, Joint Legislative Council; Terry C. Anderson, Director, Legislative Council; JoAnna Richard, Deputy Secretary, and Dennis Winters, Director of Economic Advisors, Department of Workforce Development; Zach Brandon, Deputy Secretary, Department of Commerce; Rebecca Martin, Senior Vice President for Academic Affairs, and Jessica Tormey, Special Assistant, Communications and External Relations, University of Wisconsin (UW) System; Carlos Santiago, Chancellor, UW-Milwaukee; Dan Clancy, President, and Conor Smyth, Policy Advisor, Wisconsin Technical College System (WTCS); and Michael Potts, President and Chief Operating Officer, Orion Energy Systems, Inc.

Opening Remarks

Senator Fred A. Risser and Representative Marlin D. Schneider, Co-Chairs, Joint Legislative Council, and Terry C. Anderson, Director, Legislative Council, welcomed members of the Special Committee.

Senator Risser explained how the Special Committee was formed and the role of the committee. Representative Schneider described the importance of the committee, given the severe job losses in Wisconsin. Lastly, Mr. Anderson introduced the Legislative Council staff assigned to work with the committee and explained general rules and guidelines for study committees, as well as the process for reimbursement of expenses for public members.

Introduction of Committee Members

Chair Wirch introduced himself, and committee members introduced themselves and explained their backgrounds.

Presentations by Invited Speakers

JoAnna Richard, Deputy Secretary, and Dennis Winters, Director of Economic Advisors, Department of Workforce Development

Mr. Winters explained that the workforce growth in Wisconsin will become flat and that the state must increase the productivity of its workforce. He described the changes in skills used at the workplace, noting that nonroutine interactive skills and nonroutine analytical skills will be necessary for the state's workforce. He emphasized the need for investment in education and training and for the talent supply to match the demands of industry.

Further, Mr. Winters described the job openings by occupational group, the top occupations with the most new jobs, the fastest growing occupations, and the most "in demand" occupations in the state for 2008 to 2018. He also described the fastest growing green occupations and the green occupations with the most openings in the state for 2008 to 2018.

Ms. Richard described the current system of unemployment benefits and provided a profile of those who are receiving benefits under the state's unemployment program. She explained that 40% of the state's workforce has attained a high school diploma or less for education. Further, she described how funding received from the federal American Recovery and Reinvestment Act has been spent in the state.

In addition, Ms. Richard described apprenticeships in Wisconsin, including those under the Sector Alliance for Green Economy (SAGE) Grant Program. She also explained initiatives in industry partnerships that target information technology, health care and life sciences, clean energy, advanced manufacturing, and building and construction; and initiatives in worker training. Lastly, she asked that the Special Committee consider more flexible financial aid for students, including students who are working adults; increased bridge programming; and increased access to on-the-job training.

Ms. Richard and Mr. Winters responded to questions from committee members.

Zach Brandon, Deputy Secretary, Department of Commerce

Mr. Brandon explained that the objectives of the Department of Commerce include the retention and creation of jobs, capital financing, development of entrepreneurship and technology, training of employees, and targeting sectors. He further explained that the department uses bonding, refundable and nonrefundable tax credits, and loans and grants.

Mr. Brandon described several of the Department of Commerce's programs, including Enterprise Zone Tax Credits; JOBS Tax Credit; Research and Development Tax Credit; Research and Development Tax Exemption; Green to Gold Fund; Early-Stage Investment Tax Credits; Wisconsin Development Fund; Forward Innovation Fund; Energy Independence Fund; Rural Economic Development Program; Gaming Economic Diversification Program; Brownfields Grant Program; Small Cities Community Development Block Program; and Industrial Revenue Bonds.

Mr. Brandon responded to questions from committee members.

Rebecca Martin, Senior Vice President for Academic Affairs, and Jessica Tormey, Special Assistant, Communications and External Relations, UW System; and Carlos Santiago, Chancellor, UW-Milwaukee

Ms. Tormey introduced Ms. Martin and Mr. Santiago. Ms. Martin explained that more than 60% of jobs in the state will require post-secondary education by 2018 and that the UW System is working to increase its number of graduates. She noted that the UW System's emphasis on growth will not diminish the quality of education provided by its institutions. In addition, she explained that the UW System is responding more quickly to workforce development needs in the state. Lastly, Ms. Martin described the importance of research and development in job creation. She explained that the research in the UW System aligns with high-growth industries.

Mr. Santiago explained that doctoral research universities have the ability to create jobs. He emphasized the doctoral research capability of UW-Milwaukee and explained the research strengths of UW-Milwaukee, which include advanced manufacturing; water, energy, and environment; health care; and biomedical engineering. Lastly, he described the role of the UW-Milwaukee Research Foundation in commercializing the research of UW-Milwaukee.

Ms. Martin, Mr. Santiago, and Ms. Tormey responded to questions from committee members

Dan Clancy, President, and Conor Smyth, Policy Advisor, WTCS

Mr. Clancy explained the role of WTCS in supporting job creation. He explained that WTCS reviews its programs to ensure that it meets the needs of emerging industries in the state. To do so, WTCS relies on data from the Department of Workforce Development, regional economic agencies, and the advisory committees of each program. In addition, he described how a WTCS campus can test and assess a new program using a certificate program.

Further, Mr. Clancy explained that WTCS surveys employers to find out if the employers are satisfied with the graduates of WTCS. He also noted that most job growth will be in jobs that require more than a high school diploma but less than a four-year college degree. Lastly, he advised the Special Committee that WTCS has a steering committee to address the needs of new energy industries.

Mr. Clancy responded to questions from committee members.

Michael Potts, President and Chief Operating Officer, Orion Energy Systems, Inc.

Mr. Potts began his presentation with a description of Orion Energy Systems. Orion Energy Systems was started in 1996 and focused on lighting products. He described light pipes, one of the lighting products manufactured by Orion Energy Systems. Orion Energy Systems manufactures and provides products to reduce energy costs for its customers.

Further, Mr. Potts explained that Orion Energy Systems currently has 240 to 250 employees. He explained the need to create and train a workforce to install the type of products that Orion Energy Systems creates and manufactures. Lastly, he noted the importance of educating customers about products that reduce energy costs.

Mr. Potts responded to questions from committee members.

Other Business

Chair Wirch noted that the next meeting of the committee will be in September at Gateway Technical College in Kenosha.

Adjournment

The meeting was adjourned at 3:50 p.m.

JKR:ksm:wu