

# Workforce Development

## Employment and Training

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Joint Committee on Finance

Paper #850

### **Youth Apprenticeship Funding and Appropriation Change (Workforce Development -- Employment and Training)**

[LFB 2025-27 Budget Summary: Page 747, #3]

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#### **CURRENT LAW**

DWD's youth apprenticeship (YA) grants program is an expense reimbursement program with funding statutorily limited to \$1,100 per student served. The purpose of the grant is to sustain and expand the statewide YA program. All local youth apprenticeship consortia, which are partnerships between employers, school districts, technical colleges, labor, and other training or nonprofit organizations, must be approved by DWD and provide matching funds equal to at least 50% of grant funds awarded. The YA grants program is provided \$10,000,000 GPR annually in base funding from the Department's local youth apprenticeship grants continuing appropriation.

#### **DISCUSSION POINTS**

1. Table 1 shows that the number of students served by DWD's YA grants programs has grown at an annual average rate of 16% from 2015-16 through the 2024-25 program year. Given the sustained increases in participation levels experienced both prior to and after the pandemic period (2020-21), DWD states that "there are no indications that student or employer interest in the YA program has plateaued." Most recently, the rate of increase in student participation has moderated somewhat to 14% year-over-year growth and the number of additional students being added to the grant program has dropped from a high of 1,923 in 2022-23 to 1,430 new students being added in the 2024-25.

**TABLE 1****Youth Apprenticeship Program Participation**

<u>SFY/ School Year</u>	<u>Students Participating</u>	<u>Participation Growth</u>	<u>Number of Additional (Fewer) Students Participating as Compared to the Prior Year</u>
2015-16	3,035		
2016-17	3,552	17%	517
2017-18	4,357	23	805
2018-19	5,104	17	747
2019-20	6,069	19	965
2020-21	5,408	-11	-661
2021-22	6,300	16	892
2022-23	8,223	31	1,923
2023-24	9,926	21	1,703
2024-25*	11,356	14	1,430

Average Annual Growth, SFY16-SFY25                      16%

\*Preliminary figures

Source: DWD YA Student Participation Dashboard

2. When funding requested and approved exceeds available funds, YA grant awards are prorated to a lesser amount. Table 2 shows the average amount the grants have been pro-rated in each fiscal year since 2019-20. The table also shows the maximum per-student YA grant award for each year, which is an amount set in statute. The average grant award per student amount shown in the table is based on the total funding available in that year (amount appropriated + carryover balance available in the continuing appropriation) divided by the number of participants that successfully complete the program in each year. For 2023-24, which is the most recently completed fiscal year, award amounts were prorated at approximately \$1,024 per student served. For 2024-25, the table shows that the estimated prorated award amount would be \$903, based on preliminary data. This estimate assumes that 11,356 students successfully complete the program (as shown in Table 1) and that \$10,264,405 (\$10,000,000 appropriation amount + \$264,405 carryover balance) would be available to make grant awards in 2024-25.

**TABLE 2****Average Per-Student YA Grant Award Amounts**

<u>Fiscal Year / Program Year / School Year</u>	<u>Statutory Max Award</u>	<u>Average Grant Award per Student</u>
2019-20	\$900	\$779
2020-21	900	836
2021-22	1,100	1,021
2022-23	1,100	1,067
2023-24	1,100	1,024
2024-25*	1,100	903

\*Estimate based on preliminary student participation data

Source: DWD

3. Senate Bill 45/Assembly Bill 50 would increase funding by \$3,689,200 in 2025-26 and \$7,600,000 in 2026-27 over base funding, to increase total funding for YA grants to \$13,689,200 in 2025-26, and \$17,600,000 in 2026-27. This level of funding would provide local youth apprenticeship consortia with enough funding to accommodate an estimated 12,440 students in 2025-26, and 16,000 students in 2026-27, assuming grant awards of \$1,100 per student. This represents student participation growth of 9.5% in 2025-26 and 28.6% in 2026-27 [Alternative A1a].

4. Although the YA grants program continues to see strong growth, the number of additional students added each year has declined from a high of 1,923 students in 2022-23, to 1,703 in 2023-24, and 1,430 in 2024-25. If the number of additional students continues to decline by approximately 250 per year, the number of new students added to the program could be projected to be 1,180 in 2025-26, and 930 in 2026-27, representing student participation growth of 10.4% in 2025-26 and 8.2% in 2026-27. The Committee could choose to provide enough funding to support this level of growth and eliminate the need to prorate, based on these estimates. This would require \$3,789,600 GPR in 2025-26 and \$4,812,600 GPR in 2026-27 over base funding, to increase total funding for YA grants to \$13,789,600 in 2025-26, and \$14,812,600 in 2026-27. [Alternative A1b].

5. Given that awards amounts have typically been prorated in years past, and the YA grants program has remained popular and growing, the Committee could choose to continue to provide additional funding to support the program, but assume that grant awards would be prorated at an estimated \$1,000 per student. This would require \$2,536,000 GPR in 2025-26 and \$3,466,000 GPR in 2026-27 over base funding, to increase total funding for YA grants to \$12,536,000 in 2025-26, and \$13,466,000 in 2026-27. [Alternative A1c].

6. Senate Bill 45/Assembly Bill 50 would convert the Department's local youth apprenticeship grants GPR appropriation from continuing to sum-sufficient. DWD states that this change would allow the Department to meet program demand and fully fund grant requests, without having to prorate awards at an amount lower than \$1,100 per student. Converting the appropriation

from continuing to sum-sufficient could increase participation in the YA grants program because consortia would have greater certainty on funding levels, understanding that grant awards could not be prorated to a lower amount in any given year. As shown previously in Table 2, in each of the last five fiscal years since 2019-20, the average award per student participant has been lower than the maximum award level. [Alternative B1].

7. Keeping DWD's YA grants appropriation as continuing would allow the Legislature to continue to have control over program expenditure, while still allowing for annual adjustments to funding levels to accommodate program growth. Any funding not used by the program in a given year would continue to be retained in the appropriation account until spent in future years. DWD would be required to prorate awards at an amount lower than \$1,100 per student if actual student participation levels were higher than anticipated.

## ALTERNATIVES

### A. Funding in Sum Certain, Continuing Appropriation

1. Provide one of the following for DWD's local youth apprenticeship grants appropriation.

a. \$3,689,200 in 2025-26 and \$7,600,000 in 2026-27, which is consistent with annual growth rates in participation of 9.5% in 2025-26 and 28.6% in 2026-27.

ALT A1a	Change to Base
GPR	\$11,289,200

b. \$3,789,600 in 2025-26 and \$4,812,600 in 2026-27, which is consistent with annual growth rates in participation of 10.4% in 2025-26 and 8.2% in 2026-27.

ALT A1b	Change to Base
GPR	\$8,602,200

c. \$2,536,000 in 2025-26 and \$3,466,000 in 2026-27, which would fund estimated increases in participation but with payments prorated at \$1,000.

ALT A1c	Change to Base
GPR	\$6,002,000

2. Take no action. Program funding would remain at its base level of \$10,000,000 annually.

**B. Modify Appropriation to Sum Sufficient**

1. Convert DWD's local youth apprenticeship grants appropriation from continuing to sum-sufficient and provide \$3,789,600 in 2025-26 and \$4,812,600 in 2026-27 to fund estimated program participation.

ALT B1	Change to Base
GPR	\$8,602,200

2. Take no action. The program would be funded using the current sum certain continuing appropriation.

Prepared by: Ryan Horton





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Joint Committee on Finance

Paper #851

### **Fast Forward -- Healthcare Industry Training Grants (Workforce Development -- Employment and Training)**

[LFB 2025-27 Budget Summary: Page 749, #10]

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#### **CURRENT LAW**

Under current law, the Department of Workforce Development (DWD) is appropriated \$5,250,000 GPR annually in base funding from the Department's workforce training; programs, grants, services, and contracts annual appropriation ("workforce training grants appropriation") to support DWD's Wisconsin Fast Forward (WFF) standard grant program that awards grants to private and public organizations for the development and implementation of workforce training programs. The Department must also allocate from this appropriation, in each fiscal year, at least \$250,000 for contracts entered into to support Project SEARCH, a business-led training program for young adults with disabilities. In each year of the 2023-25 biennium, DWD is required to provide \$975,800 to the Department of Corrections (DOC) for mobile lab instructors costs. In addition, DWD may also award grants for other authorized job training projects, initiatives, partnerships, and coordination efforts, as specified under s. 106.27 of the statutes.

#### **DISCUSSION POINTS**

1. From DWD's workforce training grants appropriation, the Department is required to award grants to public and private organizations for the development and implementation of workforce training programs. Also referred to as the standard WFF training grants program, the objective of the program is to award funds to organizations and businesses from all industry sectors that reimburse the costs of customized, business-driven occupational training that qualify workers for full-time employment, higher levels of employment, or increased wages. According to the Department, employers must meet these minimum requirements to receive funding: (a) 85% of the participants must complete training, (b) 5% must gain employment (the unemployed, hired; the underemployed, promoted), (c) 75% of incumbent trainees receive pay raises. Organizations are awarded two-year grants to train existing employees, or to train unemployed and underemployed

workers.

2. Table 1 shows the amount of funding awarded by DWD from the Department's workforce training grants GPR annual appropriation from 2021-22 through 2023-24, and estimated allocations for 2024-25. The Department is required to allocate from this appropriation, in each fiscal year, at least \$250,000 for contracts entered into to support Project SEARCH. In addition, in each year of the 2023-25 fiscal biennium, DWD is required to allocate \$975,800 for grants to the DOC to support instructor costs for technical mobile labs. Other award amounts shown in Table 1 are statutorily allowed and are allocated to the various grant programs at the discretion of DWD. For example, the Department may allocate up to \$50,000 in each fiscal year for grants to the DOC to fund the upkeep and maintenance of the mobile classrooms. As shown in the table, DWD has chosen to make the full \$50,000 award to DOC for these purposes in each year since 2022-23.

**TABLE 1**  
**Workforce Training Appropriation, Actual Program Award Amounts**

<u>Program Name</u>	<u>Statutory Reference</u>	<u>Recipient</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25*</u>
Standard WFF Training Grants	s. 106.27(1)	Employers	\$4,866,179	\$5,158,796	\$3,974,200	\$3,974,200
Technical Instruction - Mobile Job Labs	s. 106.27(1j)	DOC			975,800	975,800
Reentry Initiatives	s. 106.27(1j)	DOC		50,000	50,000	50,000
Project SEARCH	s. 47.07	Various	250,000	250,000	250,000	250,000
Technical College Wait List Reduction	s. 106.27 (1g)	WTCS	791,204			
Student Internship Coordination	s. 106.27 (1r)	UW System	<u>1,133,821</u>			
Total Funding Available			\$6,250,000	\$6,250,000	\$5,250,000	\$5,250,000

\*Estimated allocations

3. 2023 Act 19 (2023-25 biennial budget) reduced funding to DWD's workforce training appropriation by \$1,000,000 annually, so that base funding decreased to \$5,250,000, starting in 2023-24. At the same time, Act 19 require DWD to allocate \$975,800 in each year of the 2023-25 biennium to DOC to support instructor costs for technical mobile labs. The result of the funding reduction and required allocation to DOC is that less funding was available for DWD to make standard WFF training grant awards.

4. Table 2 shows the amount of standard WFF training grants that the Department has awarded to businesses and organizations from 2017-18 through 2023-24. In 2023-24, 22 organizations and employers were awarded a total of \$3,974,200 in standard WFF grants to provide training to 2,133 individuals. In 2024-25, the Department has again allocated \$3,974,200 for standard WFF training grants. The \$3,974,200 awarded in 2023-24 and allocated in 2024-25 for WFF standard training grants is \$1,186,800 less than the average \$5,161,000 that DWD awarded to employers and organization in years that were not impacted by the pandemic.

**TABLE 2**

**Standard Wisconsin Fast Forward (WFF) Training Grants Awards**

	<u>Standard WFF Awards</u>	<u>Issued Grants</u>
2017-18	\$5,569,611	39
2018-19	5,049,544	35
2019-20	2,640,386	19
2020-21	2,905,092	26
2021-22	4,866,179	36
2022-23	5,158,796	36
2023-24	3,974,200	22
2024-25*	<u>3,974,200</u>	--
Total	\$30,163,808	213

\*Estimated allocation. SFY25 grant awards have not been finalized.

5. The Department of Corrections currently operates six technical mobile labs. Current funding for the mobile labs comes from the Becky Young community corrections; recidivism reeducation appropriation, as well as from DWD's workforce training grants appropriation. The amount spent by DOC varies each year, depending on how many labs/cohorts are in operation and how much funding is received from DWD. The Department has not had GPR funding budgeted for the cost of instructors is used, but rather, all instructor funding approved in previous biennial budgets was one-time funding from DWD. In each year of the 2023-25 biennium, DWD is required to provide \$975,800 to DOC for mobile lab instructors costs. If this approach is used of allocating WFF moneys to DOC for mobile lab instructor costs, the Committee could provide additional annual funding of \$975,800 to partially or fully fund the amounts required to be transferred to DOC and offset the effects on some or all of DWD's workforce training grants appropriation from the required transfers. [Alternative 4]

6. Senate Bill 45/AB 50 (SB 45/AB 50) would provide \$500,000 annually for the Department's workforce training grants appropriation and require DWD to allocate \$500,000 in each year of the 2025-27 fiscal biennium for grants to support training in the health care industry. DWD states that the need for this program is based on the state's health care industry experiencing an unprecedented shortage of workers, exacerbated by an aging workforce, and high vacancy rates in critical positions like registered nurses (RNs) and certified nurse aides (CNAs). According to the most recent (July, 2024) nursing trends report from DWD, the period of 2020-2040 forecasts a flat supply and rapidly increasing demand for RNs, resulting in a shortfall 22,900 RNs by 2040. According to the Department, health care training programs are in demand and needed to prepare workers to meet applicable state and federal licensure and certification standards.

7. According to the Department, average per-trainee costs associated with recent standard WFF training grants provided to health care industry sector awardees has been \$1,050. Assuming training costs are approximately 5% higher in the 2025-27 biennium, at the proposed funding level of

\$500,000 per year, grants would support training in health care related jobs for approximately 450 new healthcare workers, annually. The Office of Skills Development (OSD) in the Division of Employment & Training currently administers the standard WFF program, and would administer the healthcare industry grants and measure outcome by specific gains in employment, higher level employment, and/or wage increases. The Committee could provide \$500,000 in additional base funding annually to the Department's workforce training grants appropriation and require DWD to allocate \$500,000 in each year of the 2025-27 fiscal biennium for grants to support training in the health care industry. Since the requirement to award health care industry training grants would only apply to 2025-27, the \$500,000 increase in base funding to the appropriation would be available to make grants for any statutorily authorized purpose after the 2025-27 biennium. In essence, after the 2025-27 biennium, the \$500,000 base funding increase would serve to partially backfill the \$1,000,000 funding reduction under Act 19. [Alternative 1] Alternatively, the Committee could specify that the \$500,000 be provided annually in 2025-27 on a one-time basis for the purpose of health care industry training grants. [Alternative 2]

8. The Committee could provide a smaller base funding increase to DWD's workforce training appropriation. The Committee could provide \$250,000 annually for the Department's workforce training grants appropriation and require DWD to allocate \$250,000 in each year of the 2025-27 fiscal biennium for grants to support training in the health care industry. This alternative would further specify that the funding not be ongoing and be removed from the base for the 2027-29 budget. [Alternative 3]

9. Current statutory language regarding the use of funding from DWD's workforce training appropriation is permissive. In addition to specific statutorily authorized programs, the Department is permitted to award grants to any public or private organization for the development and implementation of workforce training programs. Given the potential to use existing base funding for the purposes of healthcare industry training, the Committee could decide to take no action. [Alternative 5]

## ALTERNATIVES

1. Provide \$500,000 annually for the Department's workforce training grants appropriation and require DWD to allocate \$500,000 in each year of the 2025-27 fiscal biennium for grants to support training in the health care industry.

ALT 1	Change to Base
GPR	\$1,000,000

2. Provide \$500,000 annually of one-time funding for the Department's workforce training grants appropriation and require DWD to allocate \$500,000 in each year of the 2025-27 fiscal biennium for grants to support training in the health care industry.

<b>ALT 2</b>	<b>Change to Base</b>
GPR	\$1,000,000

3. Provide \$250,000 annually of one-time funding for the Department's workforce training grants appropriation and require DWD to allocate \$250,000 in each year of the 2025-27 fiscal biennium for grants to support training in the health care industry.

<b>ALT 3</b>	<b>Change to Base</b>
GPR	\$500,000

4. Provide \$975,800 annually for the Department's workforce training grants appropriation. The additional funding would offset some or all of the effects if the DWD's workforce training grants appropriation continues to support Department of Corrections technical mobile lab instructor costs.

<b>ALT 4</b>	<b>Change to Base</b>
GPR	\$1,951,600

5. Take no action.

Prepared by: Ryan Horton





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Joint Committee on Finance

Paper #852

### **Early College Credit Program Grants (Workforce Development -- Employment and Training)**

[LFB 2025-27 Budget Summary: Page 750, #15]

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#### **CURRENT LAW**

DWD's tuition reimbursement payments appropriation receives \$478,500 GPR annually in base funding. This appropriation transfers funds to the Department of Public Instruction (DPI) for the state's share of costs under the early college credit program.

#### **DISCUSSION POINTS**

1. The early college credit program requires Wisconsin public, charter, independent (2r or 2x) charter, and private high schools to provide a minimum of 18 credits of college courses at a UW, private, or Tribal college located in Wisconsin (for high school and college credit or college credit only) to students in grades 9-12. The program allows high school pupils to take one or more courses at an institution of higher education for high school and college credit, or college credit only. Tuition costs are shared between the school, the state, and in some cases, the pupil, depending on whether the course is comparable to one offered by the school and whether it fulfills a graduation requirement.
2. A school may request reimbursement of a portion of tuition costs from the state if a comparable course is not offered by the school. Public school districts or private schools are reimbursed for 25% of tuition paid for students who received high school and college credit through the early college credit program, and for 50% of tuition paid for students who received college credit only through the program. If the total amount of claims exceeds the amount of funding appropriated, reimbursement payments are prorated.
3. The following table shows the funding and claims history for the early college credit program since the inception of the program in 2018-19. Claims for early college credit program aid started at a relatively low level in 2018-19, and program participation was subsequently further

impacted by the pandemic. In response to an initially lower than anticipated level of claims, and lapsing over \$4.1 million to the general fund in the first three years of the program, the Legislature reduced base funding to the early college credit program from \$1,753,500 to \$478,500, starting in 2021-22. However, claim levels did recover in the post-pandemic period and, from 2019-20 through 2023-24, claims grew at an average annual rate of 15.4%, as shown in the table.

**Early College Credit Program Appropriation Amount,  
Claims History, and Proration Level**

	<u>Appropriation Amount</u>	<u>Claims</u>	<u>Change in Claims (%)</u>	<u>Proration</u>
2018-19	\$1,753,500	\$367,911		100.0%
2019-20	1,753,500	338,529	-8.0%	100.0
2020-21	1,753,500	387,655	14.5	100.0
2021-22	478,500	427,223	10.2	100.0
2022-23	478,500	528,658	23.7	90.5
2023-24	478,500	600,975	13.7	79.6
Average Annual Claims Growth, FY20-FY24			15.4%	
Average Annual Claims Growth, FY19-FY24			10.3%	

4. If the funding provided to the appropriation is insufficient to pay the full amount of claims, payments are prorated. As shown in the table, in 2022-23 the proration rate was 90.5%, and in 2023-24 the proration rate further declined to 79.6%. In the years where payments need to be prorated, the school district/school in effect bears a larger share of the tuition cost for early college credit courses.

5. SB 45/AB 50 would provide an increase of \$323,500 in 2025-26 and \$447,500 in 2026-27 above base level funding of \$478,500 to fund an estimate of the anticipated claims from schools for tuition reimbursement based on a 15.5% annual growth in claims. Assuming that claims grow no faster than 15.5% annually, no payment proration would be needed. [Alternative 1]

6. From 2018-19 through 2023-24, claims paid to schools grew by a 10.3% average annual growth rate. While this figure includes the pandemic period where claims decreased, this growth rate mirrors the growth in claims in 2021-22 and is just below the 13.7% growth recorded in 2023-24. The Committee could choose to provide an increase of \$252,800 in 2025-26 and \$328,200 in 2026-27 to fund an estimate of the anticipated claims from schools for tuition reimbursement based on a 10.3% annual growth in claims. Assuming that claims grow no faster than 10.3% annually, no payment proration would be needed. [Alternative 2]

7. If claims continue to increase over the next biennium as they have in recent years, and the appropriation is not increased, schools will continue to be partially reimbursed for eligible costs, although with the state paying a smaller share of the costs. [Alternative 3]

## ALTERNATIVES

1. Provide \$323,500 in 2025-26 and \$447,500 in 2026-27 for DWD's tuition reimbursement payments appropriation.

ALT 1	Change to Base
GPR	\$771,000

2. Provide \$252,800 in 2025-26 and \$328,200 in 2026-27 for DWD's tuition reimbursement payments appropriation.

ALT 2	Change to Base
GPR	\$581,000

3. Take no action.

Prepared by: Ryan Horton





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Joint Committee on Finance

Paper #853

### **Technical Education Equipment Grants (Workforce Development -- Employment and Training)**

[LFB 2025-27 Budget Summary: Page 750, #16]

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#### **CURRENT LAW**

The technical education equipment grants program, administered by the Department of Workforce Development (DWD) receives \$1,000,000 GPR annually in base funding from a sum certain annual appropriation under DWD.

#### **DISCUSSION POINTS**

1. The Department is required to award technical education equipment grants in an amount not greater than \$100,000 to applicants for the enhancement or improvement of a technical education facility or for the acquisition of equipment that is used in advanced manufacturing or construction fields in the workplace, together with any software necessary for the operation of that equipment and any instructional material necessary to train pupils in the operation of that equipment. Not less than one-third of grant moneys awarded in a fiscal biennium must be provided to applicants that are either school districts that are eligible for sparsity aid or consortia that include at least one school district that is eligible for sparsity aid. A grant recipient is required to provide matching funds, which may be in the form of money or the monetary value of equipment. If the match is contributed from private sources, the match must be 100% of the grant amount awarded. If any of the match is contributed from school district funds, the match must be 200% of the grant amount awarded.

2. The following table shows the funding appropriated for the technical education equipment grants program since the program's inception in 2018-19, and two columns showing amounts that have lapsed to the general fund. The second column of the table shows the amount of funding that has been disencumbered and lapsed back to the general fund as a result of unspent prior year grant awards. According to DWD, the majority of technical education equipment grant award spending happens during the fiscal year after the grants are awarded. When grant awards are not fully spent, the annual appropriation structure requires that these funds be disencumbered which means the

unspent funds are reverted to the general fund. To date, \$464,180 has lapsed to the general fund due to reverted prior year carryover grant encumbrances.

### **Technical Education Equipment Grants Funding and Lapse Amounts**

	<u>Appropriation Amount</u>	<u>Prior Year Grant Awards Disencumbered &amp; Lapsed to General Fund</u>	<u>Closing Balance Amounts Lapsed to the General Fund</u>
2018-19	\$500,000	\$0	\$0
2019-20	1,000,000	0	-157,680
2020-21	1,000,000	0	0
2021-22	1,000,000	-81,516	0
2022-23	1,000,000	-132,444	0
2023-24	1,000,000	-167,510	-96,770
2024-25	<u>1,000,000</u>	<u>-82,710*</u>	<u>0</u>
Total	\$6,500,000	-\$464,180	-\$254,450

\*Department estimate

3. As an annual appropriation, any amounts not encumbered by the close of the fiscal year will lapse back to the general fund. These lapse amounts are shown in the column furthest to the right. The table shows that of the \$6.5 million that has been appropriated to the program since 2018-19, a total of \$718,630 has lapsed back to the general fund. However, only \$254,450 of the total lapse amount was not awarded by DWD for equipment grants.

4. DWD's most recently completed technical education equipment grants grant cycle was 2023-24 when it awarded a total of \$903,230 (\$1,000,000-\$96,770) in equipment grants to 35 school districts to assist an estimated 7,564 students in learning skills to use in advanced manufacturing fields. The Attachment to this paper lists each award recipient, the award amount, and a short description of the equipment to be purchased. The Department estimates that in the current award cycle (2024-25), the entire \$1,000,000 funding amount will be awarded. Through May 21, 2025, for the 2024-25 cycle, DWD has awarded \$978,637 in equipment grants to 18 school districts for projects that will serve an estimated 4,281 students.

5. Enacted on March 22, 2024, 2023 Act 165 made several modifications to the technical education equipment grants program. The Act expanded the program to include consortium consisting of multiple school districts as eligible applicants, increased the maximum award amounts from \$50,000 to \$100,000, expanded industry sectors beyond advanced manufacturing to include construction fields, and included technical education facility improvements as an eligible award category. In addition, Act 165 specifies that not less than one-third of grant moneys awarded in a fiscal biennium must be provided to applicants that are either school districts that are eligible for sparsity aid or consortia that include at least one school district that is eligible for sparsity aid. The provisions of Act 165 are not reflected in the 2024 awards shown in the Attachment, but will be reflected in the forthcoming 2025 awards (2024-25 funding).

6. Senate Bill 45/Assembly Bill 50 would provide an additional \$200,000 annually for the Department's technical education equipment grants appropriation. DWD states that the request for additional funding for the equipment grants program would be targeted for artificial intelligence (AI) related equipment and training opportunities to prepare students to utilize AI tools, including creating AI technology. In addition, DWD states that recent legislative changes to the equipment grants program are anticipated to result in greater demand for grants. In particular, the provision that doubles the maximum award amount from \$50,000 to \$100,000 may result in increased demand for additional funding from the program. [Alternative 1]

7. Given that in two of the last seven years a portion of the provided funding has lapsed back to the general fund may be an indication that the program has largely satisfied grant demand. A smaller funding increase may be provided, while acknowledging that some additional funding may be needed given the recent program changes included in 2023 Act 165 that may increase demand for technical education equipment grants. [Alternative 2]

8. Alternatively, the Committee could take no action while continuing to monitor program demand in response to the changes included in Act 165. [Alternative 3]

## ALTERNATIVES

1. Provide \$200,000 annually for the Department's technical education equipment grants appropriation.

ALT 1	Change to Base
GPR	\$400,000

2. Provide \$100,000 annually for the Department's technical education equipment grants appropriation.

ALT 2	Change to Base
GPR	\$200,000

3. Take no action.

Prepared by: Ryan Horton  
Attachment



## ATTACHMENT

### 2024 Technical Education Equipment Grant Awards

<u>School District</u>	<u>County</u>	<u>Award Amount</u>	<u>Project Description</u>
School District of Nekoosa	Wood County	\$14,425	Laser engraver and Corel Draw software
School District of Jefferson	Jefferson County	48,210	Vertical E-milling machine and welder
Muskego-Norway School District	Waukesha County	37,997	Industrial planer, widebelt sander, and oscillating spindle sander
West Bend School District	Washington County	7,367	3D printing platforms that print with a variety of substrates
Pulaski Community School District	Brown County	50,000	CNC fiber laser cutting machine
East Troy Community School District	Walworth County	29,103	Advanced manufacturing learning system
Whitehall School District	Trempealeau County	50,000	CNC router, 3D printer platform, and related software
St. Croix Central School District	St. Croix County	50,000	Welding robot
Chilton School District	Calumet County	17,235	Laser engraver, air pump, rotary attachment, and filter system
School District of Monroe	Green County	50,000	Multiprocess welders, wire feed welders, and TIG welders
Fort Atkinson School District	Jefferson County	10,011	CNC mill
Prairie du Chien Area School District	Crawford County	50,000	Industry 4.0 fundamentals learning systems
Wausau School District	Marathon County	12,062	Universal robot arm and mobile CERT cart
Hartford Union High School District	Washington County	14,166	Mobile CERT cart
School District of Lomira	Dodge County	24,751	Mobile CERT cart
School District of Milton	Rock County	19,615	CNC plasma table and plasma cutter
Wittenberg-Birnamwood School District	Shawano County	10,164	Thermal form packing machine
Wilmot Union High School District	Kenosha County	12,212	Precision measuring certification kit
Two Rivers Public School District	Manitowoc County	12,630	Precision measurement training tool kit
Port Washington-Saukville School District	Ozaukee County	29,348	CNC press brake, ironworker machine, and multiprocess welders
Hurley School District	Iron County	20,258	Two manual milling machines and three manual lathe machines
Muskego-Norway School District	Waukesha County	50,000	Electrical fabrication and wiring learning systems
Peshtigo School District	Marinette County	5,000	Virtual reality headsets, digital tablets, and a hydroponic system
School District of Nekoosa	Wood County	9,538	Six 3-D printers and two drones
School District of Holmen	La Crosse County	10,869	Universal laser system, material indexer, and laser fume extractor

<u>School District</u>	<u>County</u>	<u>Award Amount</u>	<u>Project Description</u>
Augusta Area School District	Eau Claire County	\$35,798	Robot integration package and CNC simulator
School District of Jefferson	Jefferson County	38,176	CNC machining center, Universal Laser System, CNC water jet
Madison Metropolitan School District	Dane County	49,208	CNC routers, VEX Robotic kits, and laser cutters
Stockbridge School District	Calumet County	5,000	CNC plasma table with a plasma cutter
School District of Superior	Douglas County	25,243	Multiprocess welders, TIG welders and accessories
School District of Spencer	Marathon County	7,845	Laser engraver
School District of Rhinelanders	Oneida County	46,050	Co2 laser engraver
Elkhorn Area School District	Walworth County	33,556	CNC machining center, rotary table, and classroom simulator
School District of La Crosse	La Crosse County	<u>17,393</u>	Robotics lab, CNC simulator, and engineering science kits
Total		\$903,230	