



## Legislative Fiscal Bureau

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May 13, 2013

Joint Committee on Finance

Paper #736

### Veterans in Piping Apprenticeship Program (DWD)

[LFB 2013-15 Budget Summary: Page 513, #5]

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#### CURRENT LAW

The Veterans in Piping apprenticeship program (VIP) is funded with discretionary federal monies of \$50,000 FED and a grant from the Wisconsin's Veterans Foundation of \$5,000.

#### GOVERNOR

Increase funding and position authority in the Department of Workforce Development's (DWD) workforce development general program operations appropriation by \$150,000 GPR and 1.00 GPR position, annually, to support the VIP apprenticeship program. Reallocate \$50,000 FED in 2013-14 to support temporary project positions in the Unemployment Insurance Division.

#### DISCUSSION POINTS

1. The VIP apprenticeship program was established through a Memorandum of Understanding (MOU), which was entered into in June of 2011, and is coordinated between DWD, the Department of Military Affairs (DMA), and the United Association (UA) of Plumbers and Pipefitters and its training fund. The UA provides access to plumbing and pipefitting jobs through direct entry into apprenticeship programs sponsored by one of the UA's local unions and provides networking opportunities to connect eligible trainees with career opportunities under the MOU. The UA also provides instructors, materials, and equipment to train eligible veterans and awards those trainees with welding certifications upon completion of the program. DWD provides administrative oversight to this apprenticeship program, refers eligible individuals to the program (with priority given to current Wisconsin National Guard members who are Operation Iraqi Freedom and Operation Enduring Freedom veterans), and coordinates other programs administered by DWD on

behalf of trainees. DMA conducts periodic reviews with the UA VIP program executive director and DWD and informs National Guard members of VIP program training opportunities.

2. The Wisconsin VIP program is similar to three other programs currently operated in conjunction with the UA in other parts of the country: (a) Camp Pendleton, California; (b) Joint Base Lewis-McChord, Washington; and (c) Atlanta, Georgia. The programs in California and Georgia provide accelerated welder training programs similar to Wisconsin's. The Washington program provides accelerated heating, ventilation, and air-conditioning and refrigeration (HVAC) training, in addition to accelerated welder training.

3. Training for the VIP program is provided by the UA at no charge to eligible veterans on Volk Field at Camp Williams. The program consists of an 18-week unpaid accelerated welder training program (three programs per year), which is available to eligible veterans and persons currently serving as guard and reserve soldiers, sailors, marines, and airmen. To be eligible for the program, veterans and current service members must be at least 18 years of age and possess a valid driver's license, a visual acuity record, and a high school diploma or a GED. Veterans must also have received an honorable discharge from service. Lodging and food for VIP participants may be purchased by the trainee at a cost of \$15 per night and \$7 per meal at the Wisconsin Military Academy at Ft. McCoy. The UA guarantees placement into an apprenticeship position in the United States for each person who completes the program and receives welding certification. The UA permits participants to submit a location preference for where he or she would be interested in working; however, the UA does not guarantee that employment will be made available to the trainee in their preferred location. As a result, the UA generally recommends that veterans who are unable or unwilling to relocate not apply for the program.

4. Since the program's inception, UA has conducted five training programs (four completed training programs and one in progress) at Camp Williams, serving 57 veterans. Of those individuals, 47 completed training, were certified by the UA, and were placed by the UA in welding related jobs. Twenty-three participants were employed in Wisconsin, and 24 were placed in jobs outside the state. Of the remaining 10 participants, five are currently in training and five did not complete training. The majority of individuals who receive training through the VIP program are Wisconsin residents; however, the program is available to eligible applicants nationwide.

5. As noted, DWD funding for the VIP training programs is currently provided through a discretionary, finite amount of federal Reed Act funds in an amount of \$50,000, annually. The Office of Veteran Services secured an additional \$5,000 in funds from the Wisconsin's Veterans Foundation to support the program. The federal monies currently support a portion of the pay of a DWD section chief who took on the responsibilities for administering the VIP program in addition to the chief's current duties as supervisor to 13 apprenticeship representatives.

6. The administration considers the VIP program a successful apprenticeship program and requests that the program continue with state general fund revenues. Other adult and youth apprenticeship programs administered by the state are funded with GPR, and this provision would fund the VIP program in a similar manner as other state apprenticeship programs. Discretionary funds provided under the federal Reed Act are expected to be depleted by June, 2014, and DWD has requested that these temporary dollars, instead, be used to support temporary project positions in the

Unemployment Insurance Division. The requested additional GPR position in the Division of Employment and Training would be responsible for promoting and administering the program and coordinating the application process from a nationwide veteran candidate pool. The Department has expressed interest in expanding the VIP apprenticeship program to provide similar HVAC and construction electrician training to eligible veterans, which would be coordinated by the proposed VIP administrator.

7. The Governor has proposed increased funding and position authority of \$150,000 GPR and 1.00 FTE position, annually, in the workforce development general program operations appropriation to administer the program and to continue the program through the 2013-15 biennium. An annualized cost of approximately \$66,400 GPR would be provided to pay for the salary and fringe of the proposed VIP administrator. The remaining \$83,600 GPR in annual funding would be to support the other costs associated with the program, such as leasing of training room costs \$2 per hour, internet use fees of \$62 per month, additional costs associated with expansion of the program, and to offset part of the trainees' food and lodging costs.

8. If the Committee chose to delete this provision, funding under the bill for the workforce development general program operations appropriation would be reduced by \$150,000 GPR and 1.00 GPR, annually. That money could, instead, be reallocated by the Committee for other programs. The Division of Employment and Training would then have to choose between eliminating the VIP program or reducing funding to other apprenticeship programs administered by the Division in order to support the VIP program.

## ALTERNATIVES

1. Approve the Governor's request.
2. Delete provision. Reduce funding and position authority under the bill for DWD's workforce development general program operations appropriation by \$150,000 GPR and 1.00 GPR position, annually.

ALT 2	Change to Bill	
	Funding	Positions
GPR	- \$300,000	- 1.00

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