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Scott Walker, Governor
Ray Allen, Secretary

Assembly Committee on Workforce Development

Testimony on Assembly Bill 617

Andrew Evenson, Policy Advisor, Department of Workforce Development

Chairperson Petryk and members of the Assembly Committee:

I am Andrew Evenson, the Policy Advisor for the Department of Workforce Development (DWD). On behalf of DWD, I would like to thank you for allowing me to testify in favor Assembly Bill 617.

Section 47.03 (11), Wis. Stats., requires DWD to provide vocational rehabilitation services, including vocational training and a Supervised Business Initiatives program, to participants with severe disabilities. Statutes allow DWD to own, lease, manage, supervise, or operate businesses for the benefit of such participants, with the goal of these individuals operating their own businesses. Statutes allow DWD to charge each business a portion of the Supervised Business Initiatives program's expenses, and they require DWD to promulgate rules that establish the formula for how it will charge such expenses.

In December of 2015, the Legislative Audit Bureau released its audit on the Division of Vocational Rehabilitation. One of the findings was DVR has not established a formal Supervised Business Initiatives program, although it provides the relevant services to participants with severe disabilities. No Supervised Business Initiatives program expenses have been charged, and the statutorily required rule has not been promulgated. The audit recommended that DWD if it believes this rule is unnecessary, it could request that the Legislature modify statutes to remove this requirement.

AB 617 repeals the requirement for DWD to provide vocational rehabilitation services, including vocational training and a Supervised Business Initiatives program, to participants with severe disabilities.

DWD estimates that if AB 617 became law that the repeal of this provision will not have a fiscal effect.

I would be happy to answer any questions you may have. Thank you again for your time and for the opportunity to testify today.



STATE REPRESENTATIVE

SAMANTHA KERKMAN

Date: January 10, 2018

To: Members of the Assembly Committee Workforce Development

From: Rep. Kerkman, Joint Legislative Audit Committee Co-chair

Re: 2017 Assembly Bill 617 / 2017 Senate Bill 510

Chairman Petryk and Members of the Committee:

The Joint Legislative Audit Committee introduced AB 617 to put forth for legislative discussion a proposal by the Department of Workforce Development.

In December 2015, the Legislative Audit Bureau released Report 15-18 on their audit of the Division of Vocational Rehabilitation. Included in the audit report was the finding that the Department had not promulgated a statutorily required rule regarding the Supervised Business Initiatives program and the recommendation that the Department promulgate the rule; or if the Department finds the rule unnecessary, that the Department request that the Legislature modify statutes to remove this requirement.

Accompanying this memo is a copy of audit Report 15-18 Division of Vocational Rehabilitation, which includes the Report Highlights and the response from the Department which is published at the end of the report. The Supervised Business Initiatives program is specifically references in pages 61-62.

Copies of Report 15-18 are available by request from the Legislative Audit Bureau at or online at <http://legis.wisconsin.gov/lab>.

Thank you for your consideration of 2017 Assembly Bill 617.