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To: The Assembly Committee on Workforce Development
From: Sen. Dan Feyen
Re: Assembly Bill 13

Mr. Chair and members of the committee, thank you for holding this hearing today.

Assembly Bill 13 creates a new arm of the Fast Forward program to support upskilling programs.

Upskilling, sometimes also referred to as micro-credentialing, is defined as the process of learning new skills. Upskilling programs are a quicker way to meet workforce needs than a more traditional technical school diploma or college degree. The concept has been embraced by private sector companies as a way to improve their current workforce and has a host of opportunities for public sector use. Other countries and states have begun to implement upskilling programs, including states as close to home as Iowa. While all upskilling programs look different, they serve a common goal: get individuals into well-paying, high-need jobs in order to better the individual's life and the community's workforce.

This bill creates a new arm of Fast Forward with \$2 million in funding over the biennium to provide grants to non-profits and institutions of higher education to create and administer upskilling programs to unemployed or under-employed individuals. We view this as a capacity building grant program to reduce the cost to the consumer

Lakeshore Technical College administered a successful micro-credentialing pilot program in their region of the state and provided some helpful insight as to how the program this bill creates could be useful. The average adult student's income at Lakeshore Technical College is \$19,300. Programs at technical colleges that do not result in either a Technical Diploma or Associate Degree are not eligible for most types of state or federal financial aid. Therefore, unless funding was provided, the average student would struggle to afford enrollment in an upskilling program, therefore hindering their ability to better their economic outlook and help ease Wisconsin's workforce shortage. This bill states that non-profits and higher education institutions receiving upskilling funding cannot charge participants tuition or program fees in excess of 10% of the cost of administering the program to ensure that students have skin in the game without being priced out of participation.

Thank you for your time and consideration.



MIKE ROHRKASTE

STATE REPRESENTATIVE • 55TH ASSEMBLY DISTRICT

To: Representative Petryk and members of the Assembly Committee on Workforce Development

From: Representative Mike Rohrkaste, 55th Assembly District

Date: March 6, 2019

Re: 2019 Assembly Bill 13

Thank you for the opportunity to testify in favor of Assembly Bill 13, creating a program to support “upskilling” programs.

I believe the most important issue facing our state is the need to attract and retain high-quality workers to fill the thousands of open jobs we have available. We need to ensure that families can find prosperity and opportunity in Wisconsin. To do so, we need to guarantee that they will have access to sustaining, fulfilling careers. In an ever-changing job market, that means we need to have workforce development programs that are nimble and tailored to local needs.

The private sector, as well as notable public sector programs around the country and world, have begun to embrace “micro-credentialing,” sometimes called “upskilling,” as a rapid response to a community’s workforce needs. Their goal is simple: quickly train individuals to secure high-demand, well-paying jobs.

Many students in technical college have a lower income while pursuing their education. To help them afford this opportunity, this bill not only creates a grant to grow their institution’s upskilling program, it also limits the amount a non-profit or institution can charge for tuition or program fees.

I believe this type of workforce development investment will help Wisconsinites adapt to the opportunities available in their communities. Thank you again for your consideration.



Testimony of James Lemerond
Vice President Instruction
Lakeshore Technical College
Cleveland, Wisconsin
Submitted to the Committee on Workforce Development
March 6, 2019

Good morning Senators and Representatives. Thank you for the opportunity to speak today.

I am Jim Lemerond, vice president of instruction at Lakeshore Technical College (LTC) located in Cleveland, Wisconsin. I'm responsible for our degree programs, as well as customized and short-term training. Our main campus is centrally-located in rural farmland near the shores of Lake Michigan where we serve the people of Manitowoc, Sheboygan, Calumet, and Ozaukee counties.

The manufacturing industry employs 36,000 workers in LTC's region¹, and our area's employers are expanding the use of automation, artificial intelligence, and robotics in all aspects of manufacturing processes. The demand for electro-mechanical technicians who can operate, program and repair robots is increasing at a feverish rate.² This is where LTC set out to make the next meaningful difference through MicroMatch Upskilling.

Focusing on upskilling incumbent workers, LTC partnered with employers like Sargento Foods, Bemis Manufacturing, Rockline Industries, and Lakeside Foods to define the ideal skill set of electro-mechanical technicians. In a traditional model, a college would use this information to create a credit-based associate degree program. Students would apply for admission, wait for the next semester to begin, and complete classes over the course of several years. But our region is at statistical full-employment and manufacturers needed workers today – not in two years.

So LTC deployed scientifically-validated aptitude tests to incumbent workers to identify very specific skills gaps within a company's existing workforce. Utilizing the results of those aptitude tests, LTC created five, short-term training seminars designed to fill the gaps. Ranging from 8 to 24 hours, these non-credit seminars could be individually-selected and stacked. Workers could complete only those seminars needed to upskill. In some cases, this would be all five seminars, in others, three seminars, or just one seminar.

By pairing the hands-on assessment results with laser-focused training design, and aligning the training modules to job roles and functions, there is zero waste when the employee leaves the worksite for training. A worker is trained only in the skills he or she needs – there is no redundancy and there are multiple on- and off-ramps.

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¹ Source: Economic Modeling Specialists Intl. (EMSI, www.economicmodeling.com)

² Source: The NEW Manufacturing Alliance 2018 Manufacturing Vitality Index Study (<http://newmfgalliance.org/media/1987/2018vitalitystudy.pdf>)

No longer is education at LTC a one-size-fits-all approach, with two-year degree programs the only option for career advancement. When LTC deployed this workforce training blueprint for robotics, just under 100 incumbent workers were trained within four months. LTC will continue to work with those students who want to continue their training and pursue a traditional associate degree by applying credit for prior learning (CPL) to ensure they receive college credit for the non-credit training already completed. This saves students time and money.

All of this is great news for manufacturing employers and their employees who are able to take advantage of business-funded training to advance in their companies. But there are many, many more people who could benefit from this model of training, and employers who desperately need skilled workers.

Short-term, non-credit training programs are currently not eligible for federal financial aid, making it nearly impossible for an otherwise qualified worker in a low-paying service or general labor job to pay for training out of his or her own pocket. Yet, this type of streamlined training would be a perfect fit for underskilled, adult workers who want a career change, allowing them to customize a short-term training package which combines their current talents with only those training seminars needed to fill high-wage, high-demand jobs.

We believe we can make a strong case to support the expansion of MicroMatch Upskilling offerings which benefit the underskilled, employers, and our communities. Technical colleges, like LTC, are uniquely positioned to offer micro-credentials. Our faculty are already experts in designing and delivering work-based curriculum to students with a broad range of learning needs. Our facilities and equipment are aligned with industry, so we require little to no capital investment to launch these programs. And, the purpose of micro-credentialing is already embedded within our mission. Finally, our focused, consistent collaboration with employers to meet workforce needs and our program alignment with our local regions' jobs provide the foundation needed to bring micro-credentials to Wisconsin residents in the quickest and most efficient way possible.

On behalf of the students, employers, and communities LTC serves, thank you for your support of career and technical education and thank you for allowing me to speak today. I look forward to any questions you may have.

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Appendix

Close to 1,000 students graduate from LTC each year, and LTC's associate degree graduates earn a median starting salary of \$47,000 per year. In addition to the Cleveland campus, LTC serves students in Manitowoc and Sheboygan, and offers classes at four additional sites throughout the district. Visit LTC at gotoltc.edu.

TO: Honorable Members of the Assembly Committee on Workforce Development
FROM: Aaron Brower, Executive Director, and Senior Associate Vice President for UW System
DATE: March 6, 2019
RE: Assembly Bill 13 Testimony- For Information Only

My name is Aaron Brower, and I am the Executive Director of UW Extended Campus. On behalf of UW Extended Campus, thank you to Chairman Petryk and the members of the Assembly Committee on Workforce Development for hearing testimony today on AB 13. Also, thank you to Representative Rohrkaste and Senator Feyen for authoring this bill on upskilling and micro-credentials.

UW Extended Campus provides statewide programs aimed at working adults and professionals, partnering with all the UW campuses, so Wisconsin residents can learn, grow, and succeed throughout their lives. As a result of the UW System Restructure, we are now a spin-off enterprise of UW System. UW Extended Campus's role is to coordinate and expand University of Wisconsin professional and continuing education for adult and professional students. We deliver innovative models of education, like the UW Flex Option and our Collaborative Degrees, to connect students with world class programs at each of our campuses. Micro-credentials/badges are increasingly popular and useful, and it is an area in which UW Extended Campus is developing programs.

The segment of the Wisconsin population that either has no degree or some college credits and are looking for additional education is substantial. Micro-credentials/badges and other nondegree options will continue to grow as a popular way to upskill the workforce. There is a wide-range of people at all points of their career who can benefit from these opportunities. From the front desk employee who needs to learn better customer service skills, to the middle manager who wants to become more proficient in communication, to a seasoned professional who needs to learn coding. Micro-credentials are a way to be rapidly responsive to workforce needs, especially for a population not able to access traditional forms for higher education.

There are two roles that the UW can play in micro-credentialing/badges: curating content and credentialing people. The UW can curate content, however, people can gather information from many sources. The value of the UW is to assess and credential people: it is the responsibility of the UW to assess whether people have mastered skills and content in order to receive a UW credential. Credentials can be credit-bearing or noncredit. For example, our competency-based UW Flexible Option programs are mostly offered for credit, as are our certificates, bachelors and masters Collaborative degrees; but we also offer noncredit certificates.

Micro-credentials/badges are different. They may not be credit bearing, and they are priced competitively to make them accessible to those interested in upskilling and progressing in their career. Many organizations offer badges and micro-credentials; we therefore will need to get the pricing right, as well as the cost structure, for the UW System to offer credentials and badges that will be valued in the marketplace.

We look forward to continuing conversations and efforts to respond to workforce needs by offering innovative solutions and access to a quality UW education. Thank you again for the opportunity to provide information on AB 13. I am happy to answer any questions you may have.

You can learn more about UW Extended Campus at: <https://ce.uwex.edu/>

You can learn more about the UW Flexible Option at: <https://flex.wisconsin.edu/>

You can learn more about Collaborative Degrees at: <https://ce.uwex.edu/for-students/online-degrees/>