



DAVE ARMSTRONG

STATE REPRESENTATIVE • 75TH ASSEMBLY DISTRICT

Testimony on Assembly Bill 940 February 8, 2022

Thank you for the opportunity today to speak on behalf of Assembly Bill 940, relating to talent attraction and retention initiatives administered by the Wisconsin Economic Development Corporation.

Since 2018, WEDC has been required to work with other state agencies to develop initiatives for attracting and retaining talent in Wisconsin. However, under the current administration, WEDC has been extremely slow to implement the program, despite having over \$6 million in surplus funds at the end of fiscal year 2019-20 and despite the 2021-2023 state budget act – which Governor Evers signed – directing WEDC to spend at least \$3 million on talent attraction and retention. At a time when businesses across Wisconsin are reporting difficulty in hiring employees, it is more important than ever that WEDC actively implement these initiatives.

Assembly Bill 940 follows up on the budget directive by requiring, within 30 days of the bill's effective date, WEDC's chief executive officer to submit to the Joint Committee on Finance a plan that details WEDC's plan for spending the \$3 million with respect to talent attraction and retention and by requiring WEDC to begin to make those expenditures within that same 30-day period.

Since introducing this legislation, I have heard talk that WEDC is finally beginning to act on this important issue. While that is encouraging news, I believe AB 940 is still necessary so that the Legislature is fully informed of WEDC's activities on this front. If WEDC is indeed taking steps to comply with the spending directive, it should be easy for the corporation to comply with AB 940's requirements.

Thank you for your consideration of this legislation.



DAN FEYEN

STATE SENATOR

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To: The Assembly Committee on Small Business Development
From: Sen. Dan Feyen
Re: Assembly Bill 940

Hello, Chairman Oldenburg and committee members. Thank you for taking the time to hold a public hearing on Assembly Bill 940.

Wisconsin is experiencing a workforce shortage. Our state has record low unemployment levels yet we also have increasing job vacancies in every sector. We need more workers to fill these gaps.

Since 2018, the Wisconsin Economic Development Corporation (WEDC) has been required to develop talent attraction and retention initiatives in Wisconsin. In the 2021-23 Biennial State Budget that was passed last summer, the WEDC was directed to spend at least \$3 million on talent attraction and retention initiatives.

At a time when our state's workforce is severely lacking, it is so important that these initiatives are actually implemented in a timely manner. AB 940 will require the WEDC to submit an implementation plan to the Joint Finance Committee within 30 days of the law's enactment. It will also require the agency to begin making expenditures that were already required by the 2021-23 State Budget.

We need to attract more talented workers to our state and since the WEDC is Wisconsin's leading economic development agency, they need to make this a priority.

It is important to note that no funding is included with this legislation. The \$3 million was already allocated in the 2021-23 State Budget. This bill merely requires the WEDC to actually be spending the money as well as provide the JFC with a detailed implementation plan.

At the time of this hearing, Wisconsin Independent Businesses and WMC have registered in favor. No one has registered in opposition.

Thank you again for holding a public hearing on this important legislation.

Muller, Mitchell

From: jkriebe <jkriebe@frontier.com>
Sent: Sunday, February 6, 2022 7:24 PM
To: Rep.Oldenburger; Rep.Rozar; Rep.Snyder; Rep.Tranel; Rep.Swearinger; Rep.Skowronski; Rep.Edming; Rep.James; Rep.Summerfield; Rep.Armstrong
Subject: Testimony on AB940 for Public Hearing Tuesday, February 8
Categories: Discuss

Good Morning Chair Oldenburg and Members of the Assembly Committee on Small Business Development,

This is testimony to be considered regarding AB940, a Bill related to attraction of talent and retention of talent in our state.

I have written to Wisconsin Manufacturers and Commerce numerous times on this issue and have received no response. I have also written to many of your colleagues expressing all of the reasons that WI is workforce challenged.

The reasons: Deficiencies in affordable housing, affordable childcare, accessible transportation, lack of a living wage as a minimum wage, health care. And here's the primary reason: The toxic environment that exists in this state. You have devalued our public schools, do nothing about environmental issues and serious water quality problems, stoke division and stifle compromise, and disrespect the people of Wisconsin. Some of you have gone so far as to make statements like, "we need **bodies** in the workforce." Why would anyone move to Wisconsin? People do their research before they make a major move. I have heard older Wisconsinites say that their children have moved out of Wisconsin and will not return until this toxic environment is turned around. People are not moving in, and Wisconsinites are moving out.

It is likely that you will pass this Bill to require WEDC to spend \$3,000,000 on attracting and retaining talent.

This type of talent attraction was attempted during the Walker Administration and where did it get us? The workforce challenges were with us then and they continue today. It continues because you refuse to address the underlying reasons we are workforce challenged.

How will you, as Legislators, ensure that the expenditure of these funds attracts and retains talent? Your response to that question should be included in the Bill.

Thank you,
Janie Riebe
jkriebe@frontier.com

WMC

Wisconsin's Chamber

TO: Members, Assembly Committee on Small Business Development

FROM: Rachel Ver Velde, Director of Workforce, Education and Employment Policy

DATE: February 8, 2022

RE: Support for AB 940, implementation of talent attraction and retention initiatives

Wisconsin Manufacturers & Commerce (WMC) appreciates the opportunity to testify in support of Assembly Bill 940. I want to specifically thank Representative Armstrong and Senator Feyen for authoring this legislation on talent attraction and retention.

WMC is the largest general business association in Wisconsin, representing approximately 3,800 member companies of all sizes, and from every sector of the economy. Since 1911, our mission has been to make Wisconsin the most competitive state in the nation to do business. That mission includes making sure Wisconsin's employers have a capable and willing workforce.

Unfortunately, employers in Wisconsin have severe worker shortages and an inability to fill key positions. According to WMC's most recent *Wisconsin Employer Survey* conducted in June 2021, the biggest challenge facing Wisconsin employers is the workforce shortage, with 86% of employers indicating that they are struggling to hire workers. Moreover, 72% of these employers responded that the workforce shortage is the top public policy issue facing Wisconsin.

The viability of thousands of businesses around the state and the jobs they support are threatened by these worker shortages. Workforce shortages create critical supply chain disruptions. This not only negatively affects employers, but also the prices and availability of goods for consumers throughout Wisconsin. Wisconsin must act to prevent lasting and permanent damage to our state's workforce and overall economy.

The talent attraction program passed by the legislature and implemented by the Wisconsin Economic Development Corporation (WEDC) in 2018 helped shape the perception of Wisconsin to those outside and within the state as a place to grow, learn and thrive. This perception is vitally important to ensure that Wisconsin is recruiting and retaining an active and robust workforce. Particularly, the WEDC program for veteran recruitment was immensely valuable to employers. These veteran workers have proven to be some of the most capable and reliable employees in the workforce.

WMC was very glad to see the legislature make a continued investment of \$3 million in the 2021-23 state budget for talent attraction and retention initiatives. Unfortunately, WEDC and the Governor Evers administration has refused to utilize this money. This bill directs the WEDC Secretary to

submit to the Joint Committee on Finance a detailed plan explaining WEDC's utilization of the money appropriated to them for talent attraction and retention initiatives.

WMC urges members of the Assembly Committee on Small Business Development to vote in favor of Assembly Bill 940. This bill will provide accountability and hopefully encouragement to WEDC to implement a comprehensive, state-level talent attraction and retention program. This is needed to ease the burden on employers throughout Wisconsin during this workforce crisis.