

STATE SENATOR Eric Wimberger DISTRICT 30

Testimony on Senate Bill 929

Senate Committee on Economic and Workforce Development Wednesday, February 23, 2022

Chairman Feyen and Members,

The United States is economically strained. Our store shelves are becoming empty and the worker shortage is putting pressure on every business to keep their doors open. Prices are going up and the workforce is dwindling. We can blame horrible policies coming from Washington, government incentives to stay unemployed or any number of other reasons, but in the end, it is our friends and neighbors who are struggling and looking for answers.

For the first time in our lifetime, the supply chain across the country that brings products to market has become strained in some areas and simply broken down in others. An unprecedented shortage of truck drivers is a contributing factor to backlogs and the rising cost of goods.

Although trucking companies are working tirelessly to recruit and train drivers, they are unable to keep up with growing demand and driver retirements. Even with higher wages and heavy recruitment, the American Trucking Association estimates the shortage, as of October, was 80,000 drivers, an all-time high and nearly a thirty percent increase in pre-pandemic levels. And worse, they believe that shortage could double in the next eight years.

The problem isn't getting better, it's getting worse. But the legislation before you will address this challenge today. By establishing three different programs within the Department of Transportation, a tuition scholarship for commercial driver students, an employer training grant program and a driver recruitment program, we will provide a reasoned and proven method to address this shortfall.

New commercial driver students will be eligible for scholarships to help pay for up to half of the cost of tuition for CDL classes. Scholarships and other incentives have long been used to increase enrollment in classes and training when a critical need arises. In professions ranging from nursing to technical vocations, scholarships that defray the cost of schooling have proven to raise enrollment and interest in those jobs.

The employers who must train the tens of thousands of new drivers needed in Wisconsin will also get assistance. Trucking companies and driver schools will train the new recruits, but the cost to get them on the road is high. These employers will be eligible for grants to help get the trucks rolling again. And finally, additional grants to newly trained drivers and their employer will provide an incentive for them to keep driving and continue their new career on the road.

Our economy is facing many challenges. There may not be a silver bullet to get it right again, but this legislation directed toward our transportation industry is an important step forward.

State Capitol • PO Box 7882 Madison, WI 53707-7882 (608) 266-5670 • (800) 385-3385 Sen.Wimberger@legis.wi.gov

Dr. Morna K. Foy, President



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Wisconsin Technical College System Testimony on SB 929 Morna K. Foy, President Senate Committee on Economic and Workforce Development February 23, 2022

The WTCS appreciates the proposal (SB 929) to respond to the transportation workforce shortage by addressing financial barriers to individuals earning their CDL. However, the current bill language may unintentionally create a disincentive to enroll in WTCS programs and, potentially, cause confusion for students.

The maximum scholarship amount for students enrolling in a technical college or other approved provider program is set at "50 percent of student's tuition cost for courses..." In contrast, the maximum grant amount for employers who provide a CDL training program for their employees is set at "50 percent of the costs of training the employee in the operation of commercial motor vehicles or \$3,000, whichever is less."

Technical College tuition only covers one cost to students to obtain their CDL. A cost breakdown from Milwaukee Area Technical College is provided as an example.

I'd like to request the following amendment to SB 929 to align the value of the incentive provided (scholarship/grant) regardless of who provided the training and provide a clearer, more transparent incentive for students.

Amend Section 1, as follows

3. From the amounts allocated under sub. (3) (a), the department may award scholarships to applicants under subd. 2 . The amount of scholarship money awarded to an individual student may not exceed 50 percent of the student's tuition, fees, books, materials and other costs to become certified in the operation of commercial motor vehicles or \$3,000, whichever is less. cost for courses that provide instruction in the operation of commercial motor vehicles in which the student is enrolled.

Thank you for your consideration. I'm happy to answer any questions.

COLLEGES: Blackhawk, Chippewa Valley, Fox Valley, Gateway, Lakeshore, Madison College, Mid-State, Milwaukee Area, Moraine Park, Nicolet College, Northcentral, Northeast Wisconsin, Northwood Tech, Southwest Tech, Waukesha County, Western

MATC Truck Driver Training Program Program Code: 30-458-1 Estimated Student Fee Schedule

Estimated Program Costs to Student**

CDL Permit Preparation Class			\$	66.58
This is not a required course Course helps prepare you				
to take your CDL learners permit test at the DMV				
CDL Permit Preparation Class Textbook			\$	32.50
MATC – Class Tuition – Technical Diploma	\$	2088.00		
ID Fee	\$	7.50	Τ	
Admin Fee (incl. insurance)	\$	7.00	1	
Textbooks (tax included)	\$	55.25		1
Delmar's: Tractor-Trailer Truck Driver Training				
ISBN: 9781111036485				
Author: Adams				
Publisher: Cengage L	1			
Published Date: 2013				
Parking	\$	25.00	\$ 2	2182.75
Skid Pad Experience (\$210 cost paid by MATC)			\$.00
Medical Exams and Tests **			\$	200.00
Licensing (re-testing is not considered in this estimate)**	Τ		\$	360.00
Estimated Total Cost			\$ 2	2841.83

These are the costs to the best of our knowledge and control. The fees that are paid to an organization other than MATC are outside our control. You may contact the Wisconsin Department of Motor Vehicles or Concentra directly to confirm the cost of your licensing and screening fees.

Costs subject to change

Supplies required (student responsibility) Good gloves Flashlight Notebook Lock for locker

MATC Foundation Scholarship may be available to those who demonstrate a financial need. Please refer to MATC Truck Driver Training Scholarship form.

Veteran's benefits may apply – please contact MATC Veteran's Education Benefits office at 414-297-8363.



"Wisconsin's Economic Engine" www.witruck.org

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February 23, 2022

To: State Senator, Dan Feyen

Chairman, Senate Committee on Economic and Workforce Development

Re: Support for SB 929 (AB 941)

Relating to a commercial driver recruitment program.

Dear Chairman Feyen and Committee Members,

The recruitment and retention of professional commercial truck drivers is a critical element affecting the reliability of the supply chain. This is especially true in Wisconsin where 77% of the state's communities depend exclusively on trucks to move their goods and 94.9% of manufactured tonnage is transported by trucks.

On a national scale, there is an estimated shortage of 80,000 truck drivers. An aging driver workforce coupled with an ongoing pandemic has resulted in an increase of retirements in the industry at a time when consumer purchasing and freight demand continues to rise.

SB 929 creates financial incentives for both commercial drivers and carrier companies that train and employ them. Establishing a commercial driver scholarship program will help eliminate much of the tuition costs that can be a barrier for some individuals attempting to obtain their commercial driver's license (CDL). Reimbursement of carrier company driver training costs through an employer training grant program will help those carriers that have invested in creating their own commercial motor vehicle (CMV) training schools. And the proposed commercial driver recruitment grant program will benefit both CMV drivers, who recently obtained their CDLs and the employers that rely on them.

SB 929 will not single-handedly resolve the issues facing the supply chain. It will, however, be a move in a right direction by providing some financial relief for the drivers and carrier companies that our economy relies on.

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Wisconsin Movers Association * Wisconsin Milk Haulers Association * Wisconsin Motor Coach Association * Wisconsin Towing Association

The Wisconsin Motor Carriers Association asks for your support of SB 929 and strongly urges the committee's potential passage of this legislation.

Respectfully submitted,

Much Vedzie

Neal Kedzie, President