STATE REPRESENTATIVE • 13TH ASSEMBLY DISTRICT

P.O. Box 8953 Madison, WI 53708-8953

12/6/2023

Senator Feyen and members of the Committee on Economic Development and Economic and Technical Colleges, thank you for the opportunity to speak on SB581/AB549.

When you drive into Wisconsin on the I-90, you are greeted with a welcome sign. On the beams supporting the monument are the three central tenants of Wisconsin's economy: Recreation, agriculture, and industry.

Manufacturing contributes almost 20% to Wisconsin's GDP. It would be a mistake to underestimate its importance. The National Association of Manufacturers reports that at the end of 2021, there were almost half a million manufacturing jobs across the state; these are good jobs with average annual compensation approaching \$80,000. Unfortunately, the Manufacturing workforce is aging, with over 25% of the workforce over the age of 55 and retiring within the next ten years. It is essential we plan to replace these skilled individuals.

Additionally, our nation is renewing its focus on re-domesticating its supply chain and manufacturing infrastructures. To keep Wisconsin competitive with other states, we need to increase the pipeline of well-trained machinists, and they need to be trained on advanced manufacturing equipment. The Department of Workforce Development estimates that by 2030, Wisconsin will need to increase its manufacturing workforce by an additional 24,000 people. That is above the 100,000-plus people that are retiring.

Wisconsin's Technical College System has proven itself to be the most efficient and effective training ground for developing this workforce.

SB581/AB549 intends to expand and improve our Technical College System's ability to train Wisconsin's Manufacturing workforce by utilizing dollar-to-dollar matching grants in two areas.

First, It creates a sixteen million dollar grant (one million for each tech school) so that the Technical Colleges can improve and enhance each school's manufacturing facilities and purchase advanced manufacturing equipment for training.

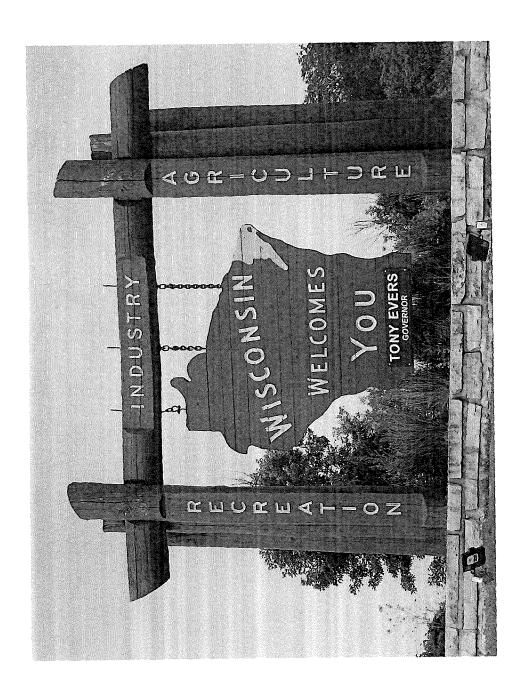
Second, to staff the improved facilities with quality instructors, the bill will provide a one-time grant of up to five thousand dollars as a sign-on bonus for advanced manufacturing and CDL instructors. The bill also directs the tech college to pay a retention bonus of five thousand dollars to instructors in those fields after five years of service.

Supporting this bill will be one step in securing Wisconsin's long-term leadership role in manufacturing.

I appreciate your consideration,

Thomas A. Michalski

State Assembly, District 13





WISCONSINTECHNICAL COLLEGE DISTRICT BOARDS ASSOCIATION

December 6, 2023 Senate Committee on Economic Development and Technical Colleges Senate Bill 581/Assembly Bill 549

Chairman Feyen and Members of the Committee:

Thank you for the opportunity to speak today. On behalf of Wisconsin's technical colleges, we support SB-581, including funding for hiring and recruitment bonuses, and \$16 million in matching grants for manufacturing program facilities. The future is bright for Wisconsin manufacturing. Wisconsin currently ranks 3rd among states for manufacturing output and is #1 in the country for manufacturing employment as a percentage of the workforce. There are over 9,000 manufacturing firms in Wisconsin, employing more than 470,000 workers with average wages of almost \$31 per hour. Today, skilled workers are precious and difficult to find—meaning layoffs during temporary economic slow-downs are less and less common, and industry-prepared experts are increasingly difficult for technical colleges to recruit and retain.

Wisconsin manufacturers produce nearly anything you can imagine: from cranberry snacks to specialized medical devices to furniture to highly specialized electrical relays. Technical colleges help power this important industry with skilled graduates and continuing education for incumbent employees that keep production lines up-to-date, efficient, globally competitive, and safe. Last year, Wisconsin technical colleges enrolled over 25,000 students in manufacturing courses. One example of the value: graduates of a one-year tech diploma in electromechanical maintenance reported earning an average of \$71,000 as a starting wage. Meanwhile, over 1,300 students took a CDL course at a technical college. Graduates of these very short-term programs—critical for moving all of those Wisconsin-made products—reported average starting wages of \$25 an hour.

Despite tech colleges' deep commitment to these programs, they are also some of the most costly to offer. As you know, tech colleges take pride in our open access mission—we accept the top 100% of high school graduates, and full-time tuition is about \$4,500 per year. Yet to equip and run a single manufacturing lab on our campuses—that might include CNC machines, plasma cutters, programmable logic controllers, welding booths, Fanuc robots, automated production lines, precision instrumentation, all staffed by industry experts—cost millions not only to assemble, but millions more to operate, year in and year out.

Manufacturing employer-partners are generous with their time and expertise, meeting at least twice annually with our instructors to review curriculum and fine-tune our offerings. They donate to student scholarships every year, pay full cost for customized training, reimburse employees' tuition costs, and donate surplus equipment when possible. However, the manufacturing industry, as well as the health care, trades, agriculture, and many other industries, count on the state and local taxpayers to be reliable partners in keeping technical colleges strong, flexible, and responsive.

We ask that GPR bonus funding include current manufacturing faculty who have been with the college at least 5 years. The colleges will be challenged within current budgets to meet the \$5,000 retention bonus obligation after 5 years. Further, we ask to continue these conversations around ongoing GPR funding for operating the many other critical, high-demand industries that tech colleges serve.

(608) 266-7745 Toll Free: (800) 862-1092 Sen.Stafsholt@legis.wi.gov

P.O. Box 7882 Madison, WI 53707-7882

DATE: December 6, 2023

RE: Testimony on Senate Bill 581 and Assembly Bill 549

TO: Members of the Senate Committee on Economic Development and Technical Colleges

FROM: Senator Rob Stafsholt

Thank you Chairman Feyen and members of the Senate Committee on Economic Development and Technical Colleges for hearing my testimony on these bills.

Tech schools are eager to train students the skills needed in both the manufacturing and commercial driving industries, but there is simply a shortage of instructors to prepare students. This legislation addresses a workforce and education problem across our state.

SB 581 and AB 549 provides funds for the Wisconsin Technical College Board (WTCS) to award grants to pay for the hiring bonuses of qualified instructors. These grants can be awarded up to \$5,000 for newly hired instructors, with Tech College District Boards required to match these grants.

These instructors must teach courses on manufacturing, advanced manufacturing, or CDL training, and commit to teach for at least three years. If they quit early, excluding some exceptions, these instructors must repay these bonuses according to the length of their employment. In addition, district boards are required to pay a \$5,000 retention grant for these instructors who are still employed in their role for 5 years after they are hired.

The bill also requires the WCTS Board to award one-time grants up to \$1,000,000 to tech colleges to purchase manufacturing equipment, advanced manufacturing equipment, or upgrade existing equipment. These grants can only be awarded to a tech college if the school matches this amount.

We have authored an amendment to this legislation that adds that if an instructor was employed 75 days prior to the signing of this bill, they cannot get the initial hiring bonus. It further clarifies that the \$1 million grants can be used for purchasing or upgrading manufacturing or advanced manufacturing equipment. The amendment also allows tech colleges to use private donations or in-kind donations as part of their \$1 million match.

Our tech college students are in need of the best teachers and equipment to ensure they are readily prepared for careers in the manufacturing and truck driving industries. In my area of Northwestern Wisconsin, this is abundantly clear. Constituents have come to me sharing their stories of a lack of resources and training for these kinds of jobs.

I would like to thank again Chairman Feyen and committee members for hearing my testimony, and Rep. Michalski for his work in the Assembly on this bill. I would appreciate your support for this bill and would be happy to answer any questions you may have.



WISCONSINTECHNICAL COLLEGE DISTRICT BOARDS ASSOCIATION

December 6, 2023
Senate Committee on Economic Development and Technical Colleges
Layla Merrifield, Executive Director
AB-545/SB-522 - Technical College Board Membership

Thank you for the opportunity to provide testimony on AB-545/SB-522. For decades, Wisconsin's technical college boards have included employers, employees, elected officials, K-12 superintendents, and community members who are selected via a competitive, merit-based process. Committees of elected local officials serve as the appointment authority. These appointment committees are comprised of either county board chairs, county executives, or school board presidents, and their selections are made in an open and public process.

The appointment committee first conducts a public hearing to consider the overall college district, its demographics, and its unique and ever-evolving workforce needs. Based on this hearing, the committee establishes an annual "plan of representation," to ensure that appointments represent a balance of the geographical areas, populations, and communities within the district. Public notices are published in local media and distributed to key employers and community organizations around the district. Applicants are listed in additional public notices announcing the appointment hearing, to encourage public input. Each candidate must submit a resumé, letter of application, letters of recommendation, and an affidavit of eligibility. Applicants must then appear at the appointment hearing in person to be interviewed by the committee, and members of the public may provide input to the committee during the hearing. Finally, local appointments are reviewed and approved by Wisconsin Technical College System Board.

Each nine-member board must include slots for at least two employers and at least two employees, a local elected official, a K-12 school superintendent, and at-large members (at-large must also be balanced between employers and employees). At MATC-Milwaukee, five business persons are appointed, instead of employers/employees. Further, board members must reside in the college's district and, if the member is an employer representative, that employer must be located within the district.

Wisconsin's technical colleges are known for their transparency and excellent outcomes for graduates: https://www.wtcsystem.edu/impact/publications/graduate-outcomes-report/
This performance directly results from carefully selected governing boards reflective of their local communities, local industries, and local challenges.

I am aware of only one technical college board member who is not a U.S. Citizen. She is a "deferred action for childhood arrivals" (DACA) recipient—the policy that indefinitely delayed deportation of persons who were initially brought to the United States as children, through no fault of their own. DACA provides legal employment authorization, but DACA status does not provide a pathway to citizenship. This board member is an exceptional person, who first earned a short-term cosmetology credential at a technical college, because she knew that would allow her to earn just enough money to put herself through school and reach her ultimate goal: becoming an engineer. She went on to earn a two-year engineering degree at the technical college, transferred to the Milwaukee School of Engineering, and completed her bachelor's degree. She is now a successful engineer, working for a local firm in her community, and she was recently married. She is actively pursuing U.S. Citizenship, and is now qualified to become a naturalized citizen. However, she has been told to expect a 4 to 6 year wait for

the federal government to process her application. In the meantime, she has dedicated herself to serving the institution that made it possible to reach her dreams. She is an outstanding ambassador to the Latino/Hispanic community, speaking to the promise and prosperity that are possible with an affordable, accessible technical college education. In short, she exemplifies the American Dream, and the incredible opportunity that this country has represented to immigrants from all over the world, who are willing to work hard and play by the rules, since its very founding.

I am grateful to the authors for including a provision to allow this board member to complete her term. I also ask for your consideration of the extraordinary circumstances present in this case, and to permit "legal permanent residents," in addition to U.S. Citizens, to serve on technical college district boards. Thank you.

December 6, 2023

TO: Members

Senate Committee on Economic Development and Technical Colleges

FR: Brian Dake

President

Wisconsin Independent Businesses

RE: 2023 Senate Bill (SB) 581 relating to: grants related to technical college manufacturing and truck driving programs and making an appropriation.

Chairman Feyen and committee members my name is Brian Dake, President of Wisconsin Independent Businesses. Thank you for the opportunity to testify in support of 2023 Senate Bill (SB) 581, and its companion bill, 2023 Assembly Bill (AB) 549.

By way of background, Wisconsin Independent Businesses (WIB) was formed in 1977 to provide small, independent business owners with an effective voice in the legislative and regulatory activities of state government. Today, we proudly represent more than 2,000 small business owners throughout Wisconsin. Most of our members (approximately 85%) own and operate businesses which have fewer than 25 employees and/or annual gross revenues of less than \$5 million.

Wisconsin small employers are struggling mightily to find qualified workers to fill open positions. This workforce shortage is particularly acute in labor-intensive industries such as manufacturing and trucking. In recent testimony before Congress, the President of the American Trucking Associations stated the shortage of qualified drivers reached a near record high of 78,000 in 2022 and is expected to increase to 160,000 by 2031.

When Wisconsin manufacturing and trucking companies cannot fill open positions with skilled workers, customer orders and deliveries are delayed, supply chains are disrupted, and jobs are moved elsewhere.

From our perspective, there is not a single solution to this multifaceted long-term problem. Reducing the workforce shortage requires a comprehensive approach and targeted investments in the Wisconsin Technical College System (WTCS) are a step in the right direction.

Current law identifies the principal purposes of the WTCS as providing:

- > occupational education and training/retraining programs; and
- customized training and technical assistance to business and industry.

Consistent with these statutory obligations, WTCS institutions provide occupational education training and customized training in manufacturing, and advanced manufacturing. Chippewa Valley, Fox Valley, and Waukesha County technical colleges currently offer commercial truck driver training programs.

Participants in these programs need access to knowledgeable, experienced instructors and the equipment they will use on the job. Subject matter experts are in demand and command a commensurate salary. Manufacturing, and advanced manufacturing processes are constantly evolving. So too is the equipment that is used.

SB 581 provides additional financial resources to Wisconsin technical colleges to ensure the future success of these training programs. Grants for hiring bonuses will help technical colleges recruit and retain knowledgeable, experienced instructors. Grants to purchase manufacturing or advanced manufacturing equipment will help technical colleges educate and train students and workers on the equipment that they will use in the workplace.

We respectfully ask for your support of SB 581, and its companion bill, AB 549.

Thank you in advance for your consideration.



Dr. Morna K. Foy, President

4622 University Avenue PO Box 7874 Madison, Wisconsin 53707-7874 608.266.1207 | Wisconsin Relay System: 711 info@wtcsystem.edu | www.wtcsystem.edu

Senate Bill 581 / Assembly Bill 549 Senate Committee on Economic Development and Technical Colleges December 6, 2023

Chairman Feyen and Members of the Committee:

The Wisconsin Technical College System (WTCS) asks for your support for Senate Bill 581 and Assembly Bill 549. These bills provide funding to the WTCS Board to support the recruitment and retention of instructors in manufacturing, advanced manufacturing and truck driving programs by awarding grants up to \$5,000 to pay hiring bonuses to such instructors that meet certain criteria. Additionally, the bills provide one-time funding to award grants up to \$1 million to technical colleges to purchase manufacturing or advanced manufacturing equipment or to enhance facilities for advanced manufacturing instruction. Under the bills, technical colleges must provide matching funds in an amount equal to or greater than the grant amount. Technical colleges that provide a hiring bonus to an instructor must provide a retention bonus of \$5,000 if the instructor remains employed in an eligible position after 5 years.

WTCS colleges have more than 100 credentials across the manufacturing area, including production planning and control, maintenance and manufacturing/process engineering, and advanced manufacturing programs that combine robotics (electrical and mechanical) with the integration of computation or data analytics. In addition, colleges offer truck driving programs including Commercial Driver's License (CDL) training. In 2023, more than 25,000 students were enrolled in manufacturing career area courses and over 1,300 were enrolled in truck driving courses. These programs produce strong outcomes and are in high demand among Wisconsin's employers. More than 90% of graduates are employed within six months of graduation and earn competitive, family-supporting salaries.

More details can be found in the WTCS 2022 Graduate Outcomes Report: https://www.wtcsystem.edu/assets/Uploads/Publications/Report/WTCS-2022-Graduate-Outcomes.pdf

The strong outcomes and in-demand programming offered by WTCS colleges start with high-quality faculty. Technical colleges rely upon industry-prepared faculty that are experts in their respective fields, connecting curriculum with industry trends and best practices. As employers themselves, WTCS colleges compete against industry wages in the recruitment and retention of their faculty and as a result, competitive faculty salaries are essential to sustain programming capacity. The funding provided in these bills to pay hiring bonuses to instructors supports colleges in their efforts to address their own skilled talent shortages and incentivizes

more industry-prepared faculty to educate WTCS students, ensuring students are work-ready for these important industries. A couple small amendments would strengthen the bills:

- Permit the GPR bonus funding to include \$5,000 bonuses to current manufacturing faculty when they have been with the college for 5 years. This will help limit faculty changing jobs just to receive the hiring and retention bonuses.
- The colleges will be fiscally challenged to provide the \$5,000 retention bonus after 5 years (particularly, with the challenges of paying faculty in other high demand areas, such as health care). Accordingly, we request that the \$500,000 appropriation continue beyond the biennium and to pay retention and hiring bonuses.

Effective, high-quality technical education requires state-of-the-art equipment and facilities to ensure that students can easily transition from the classroom to the production floor. Equipment and facilities for technical programs are comparatively more expensive than general education and require continued investment to maintain up to date. The grant funding provided in these bills help technical colleges continue to invest in equipment and facilities that support manufacturing education that evolves with industry and best prepares students for employment with Wisconsin's manufacturers.

Please support Senate Bill 581 and Assembly Bill 549 and the investment provided to support WTCS colleges' work to produce a skilled talent pipeline for Wisconsin. Thank you for your consideration.



December 6, 2023

To: Members of the Committee on Economic Development and Technical Colleges

From: Vicki J. Martin PhD, President Milwaukee Area Technical College

Re: Senate Bill 581 - Grants Related to Technical College Manufacturing and Truck Driving Programs

Thank you, Chairman Petryk, and members of the Committee on Workforce Development and Economic Opportunities for the opportunity to submit testimony in support of Senate Bill 581.

Manufacturing is a major economic driver of our economy. At Milwaukee Area Technical College we provide hands-on, real-world instruction at multiple campus locations that feature state-of-the-art labs and equipment in partnership with employers across our region. Some of our efforts to increase local talent pipelines include:

- Milwaukee Area Technical College is one of 30 colleges in the country selected to be part of the Johnson Controls Community College Partnership program, which aims to equip students with indemand knowledge and skills that will support employment and a pathway for life-long careers upon graduation. In addition to the funding, Johnson Controls employees will support MATC through volunteering and mentorships, providing students with real-world experience, internship opportunities and professional networking connections. This partnership includes a new HVAC lab at a local high school where Johnson Controls invested equipment and MATC expanded its dual enrollment programming for students seeking to gain college credit in the field of building systems.
- Milwaukee Area Technical College started the Uniquely Abled Academy (UAA) a program designed
 to give students with autism the hands-on training needed to prepare for a career as a computer
 numerical control (CNC) operator. The UAA CNC program is a two semester, cohort-based training with
 more than 500 hours of instruction. Upon completion, graduates will earn a CNC Setup and Operations
 credential, qualifying them for several entry-level positions.
- MATC launched its first full ride scholarship in partnership with donors to the college's philanthropic partner the MATC Foundation. The full-ride scholarship (covering the costs of tuition, books, equipment, transportation, food, childcare and more) was launched with a major gift from Ellen and Joe Checota, as of June 30th Ellen and Joe Checota have contributed \$3 million, and MolsonCoors is also supporting this scholarship with a \$100,000 donation. More than 170 individuals, foundations and corporations have collectively contributed. The primary purpose of the Checota MATC Scholarship Program is financial support for students pursuing certain short-term technical diplomas and certificates so they can quickly in 18 months or less enter the workforce and achieve meaningful employment in a wide range of occupations, including manufacturing, information technology and healthcare. In just 18 months, more than 760 students have been awarded this scholarship 38% of scholars are studying programs within MATC's Manufacturing, Construction, and Transportation Career and Academic Pathway.

MATC welcomes a solution for recruiting and retaining faculty for these high-demand and high-paying professions. At present, Milwaukee Area Technical College's Advanced Manufacturing program is frozen due

to challenges in recruiting faculty. Senate Bill 581 looks to address this by providing financial support for hiring bonuses for instructors in manufacturing, advanced manufacturing, and commercial driver's license programs.

While we are thankful for the intent of the legislation please consider:

- Including current employees as an eligible category to avoid faculty churn or faculty leaving due to low morale.
- Working with the Wisconsin Technical College District Boards Association on an appropriate definition of what programs would fall into "manufacturing" and "advanced manufacturing." At MATC, the manufacturing programs would include welding technology associate degree as well as technical diplomas of Advanced Metal Fabrication, CNC Swiss Multi-Axis Machining Computer Numerical Control (CNC) Technician, Machine Tool Operations, Manufacturing Maintenance, Tool and Die Making and Welding. Additional programs would be advanced manufacturing and truck driving. We are unclear if programs that have intersections with manufacturing electrical power distribution, electrician, HVAC, building systems, and supply chain/logistics would benefit from Senate Bill 581.

Thank you for the opportunity to submit testimony in support of Senate Bill 581. This is an important step for students to acquire current, in-demand skills to support employer needs in our region. We also want to stress the importance of ongoing conversations as we prepare for the next biennial budget cycle. Resources will be needed to support these programs and other critical and high-demand industries that technical colleges serve. We want our technical colleges to continue to be strong, flexible, responsive, and reliable partners to state and local taxpayers, students, faculty, and our employer partners.