

PO Box 7882, Madison, WI 53707-7882 http://legis.wisconsin.gov/senate/18/feyen

To: The Senate Committee on Economic Development and Technical Colleges From: Sen. Dan Feyen Re: Senate Bill 747

Good morning members of the committee, thank you for holding this hearing today.

It's no secret that Wisconsin is facing workforce shortages across all sectors of our economy. When it comes to finding new employees, our trades have been hit particularly hard.

One of the best ways the State can help produce more skilled trade laborers is through our Youth Apprenticeship Program. SB 747 seeks to encourage more young people to enter into apprenticeships while also lowering the costs for adults who choose to enter these fields by offsetting a portion of their apprenticeship costs.

SB 747 creates a new Youth Apprenticeship Completion Award program (YACAP) in architecture and construction. Modeled after the Apprenticeship Completion award Program (ACAP), the YACAP would partially reimburse youth apprentices for up to 25% of eligible costs, or \$500, whichever is lower. The apprentice would be capped at two awards for a total maximum of \$1,000.

This bill also makes several changes to ACAP, by first expanding what qualifies for reimbursement to include books, tools for the job, and travel. To further incentivize potential employees to enter the trades, this bill refocuses the award to the worker, making only apprentices eligible for reimbursement.

SB 747 also creates a one-time \$500 income tax credit to award to individuals who successfully complete their apprenticeship program.

To grow our pool of trade workers even more, this bill expands the Career and Technical Education Incentive Grants Program to add programs in construction work to the list of industry-recognized certification programs. This means that a high school or technical college student who successfully receives a construction credential will also receive a \$500 award.

Lastly, SB 747 seeks to align our education systems by ensuring high school students who take a Technical College Board approved apprenticeship course receive technical college credit for their efforts. This will help people get through their college coursework and into the job market at a faster pace.



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Thank you for taking the time to hear this bill, I'm happy to answer any questions.

Serving Dodge, Fond du Lac and Winnebago Counties



Testimony on Senate Bill 747

Relating to: Expanding Opportunities in Apprenticeship and Youth Apprenticeship

Senate Committee on Economic Development and Technical Colleges

Wednesday January 17th, 2024

Good morning, Chairman Feyen and committee members. Thank you for holding a public hearing on Senate Bill 747 today. Unfortunately I am unable to testify with Senator Feyen, however, please accept my written testimony in support of SB 747. SB 747 is similar to 2021 Senate Bill 981 which makes new investments into our apprenticeship and youth apprenticeship programs. Recognized as some of the best apprenticeship programs in the country, this bill aims to enhance these programs through the following:

- Expands the current Apprenticeship Completion Award program (ACAP) to encourage more adults to participate. Eligible expenses covered for students under this proposal include training costs, travel, books, and necessary on the job tools.
- Anyone enrolled in the apprenticeship program will now be eligible for a \$500 income tax credit in the year they complete their training.
- Creates a new Youth Apprenticeship Completion Award program similar to the current ACAP program for young students in architecture and construction.
- Expands the Career and Technical Education Incentive Grants program by incentivizing schools and students to take classes in industries and occupations with labor shortages, resulting in the student receiving an industry-recognized certification before graduating. If the student graduates with a construction credential, they will be eligible for a \$500 award.
- Ensures that high school students who complete a registered apprenticeship course approved by a technical college while still in high school, receive college credit for that course.

One way to address our state's workforce shortage is to develop and strengthen our K-12 talent pipeline so that when students graduate, they have the fundamental skills needed to thrive in our state. That is why our state's youth apprenticeship program is so important. SB 747 will allow students to receive proper credit for their efforts while also removing barriers and

accelerating the pipeline of individuals into trades. This proposal focuses on lowering the costs of getting people into trades and clearing pathways for people interested in these careers.

This legislation was crafted in consultation with a coalition of industry partners to encourage more youth to participate in apprenticeships while also lowering the cost for adults who enroll in a registered apprenticeship program. Thank you Chairman Feyen for holding a public hearing today. Department of Workforce Development Secretary's Office 201 E. Washington Avenue P.O. Box 7946 Madison, WI 53707 Telephone: (608) 266-3131 Fax: (608) 266-1784 Email: sec@dwd.wisconsin.gov



Tony Evers, Governor Amy Pechacek, Secretary

Date: Wednesday, Jan. 17, 2024

To: Chair Feyen, Vice-Chair Stafsholt, and Members of the Senate Committee on Economic Development and Technical Colleges

From: Department of Workforce Development Secretary Amy Pechacek

Written Testimony Regarding SB 747

Chair Feyen, Vice-Chair Stafsholt, and committee members, thank you for the opportunity to provide testimony for information only on SB 747, which proposes several changes to the Department of Workforce Development's (DWD) apprenticeship programming. DWD welcomes the interest in Registered Apprenticeship and Youth Apprenticeship, and celebrates the hard-working people and partnerships that have helped thousands of workers achieve family-supporting wages in programs that are models for the nation. DWD appreciates the Legislature's support through the years.

Over the past two years alone, Wisconsin's apprenticeship programs have broken records on several fronts, with record participation, a record number of career pathways, and a record number of participating employers. The foundation for this success was laid in 1911, when Wisconsin became the first in the nation to offer Registered Apprenticeship under a unique earn-while-you-learn model with safeguards and incentives for both employers and apprentices. The collaboration among employers, labor leaders, and educators that started 112 years ago continues to this day and remains key to Wisconsin Apprenticeship's latest milestones.

In November 2023, Gov. Tony Evers and DWD announced that the Registered Apprenticeship program reached a new record total of 16,384 enrolled apprentices, with more than 200 pathways, and some 2,600 participating employers. This is up from the previous record of 15,800 apprentices in December 2022. In April 2023, Gov. Evers and DWD also celebrated record-breaking participation in Youth Apprenticeship during the 2021-2022 school year with 8,357 participants and 5,719 employers. Youth Apprenticeship, which started in 1991 and was also the first program of its kind in the nation, is a strong connector to registered apprenticeship programs. Previously, in August 2022, Gov. Evers and DWD announced 14 new occupational pathways for the Youth Apprenticeship program thanks to ongoing modernization efforts. The new pathways include agriculture, natural resources, health science, manufacturing, aviation maintenance, and more.

These successes reflect continued efforts by DWD and all the stakeholders in apprenticeship – employers, labor leaders, educators, job seekers, and apprentices themselves – to innovate and evolve. Wellestablished entities including the Wisconsin Apprenticeship Advisory Council, various apprenticeship committees representing the trades, and school consortia provide formal mechanisms for stakeholders to reach consensus on key issues, elevate ideas, and maintain safety and other standards.

DWD welcomes opportunities to continue improving apprenticeship and works closely with stakeholders to assure that apprenticeship programs support a thriving Wisconsin economy.

Unfortunately, as currently drafted, the proposed bill misses opportunities to further strengthen apprenticeship, and also diminishes the competitive advantage Wisconsin employers now enjoy in attracting young workers into key industry and occupational pathways.

Among DWD's key concerns:

- The proposal misses opportunities to remove barriers to participation for some apprentices and fails to
 account for the needs of a broader pool of potential apprentices who would benefit from support in the
 initial phase of their participation.
- The proposal undermines the tradition of fair wages due to proposed changes to the skilled wage rate.
- The bill misses opportunities to establish a more level playing field for all employers and occupations by creating carveouts that favor some occupations over others.
- The bill misses opportunities to expand the pool of participating employers.
- The bill increases competition for funds in an already fully subscribed grant program without increasing funding.
- The bill raises questions about inconsistencies with federal apprenticeship standards set by U.S. Department of Labor.

Chief among DWD's concerns is the provision that would undermine the department's authority to approve skilled wage rates for apprentices under Wis. Admin. Code § DWD 295.05 by creating Wisconsin Statute 106.01(3) with a new skilled wage rate methodology. Providing apprentices with a pathway to economic prosperity represents a foundational principle of apprenticeship. Under the bill, sponsors would be able to determine wages based on the average rate paid to journeyworkers in an "area" they would define, which could result in inadequate or noncompetitive wages.

The bill also adds construction workers to the list of occupations eligible for Career and Technical Education Incentive Grants and Completion Awards under s. 106.273(2)(b). To address the labor market quantity challenge, DWD favors other approaches to encourage apprentices across a broad array of industries and occupations.

Other provisions of the bill eliminate apprenticeship sponsors' eligibility for reimbursement under the Apprenticeship Completion Award Program (ACAP), add apprenticeship-related costs as eligible for reimbursement, and create a Youth Apprenticeship Completion Award Program (YACAP). DWD's experience and input from stakeholders points to the need for more strategic and effective updates to the ACAP. Additionally, DWD does not support the YACAP provision. Local consortia are already permitted to use YA grant funding to cover student costs and a YACAP would be duplicative of currently allowed practice.

The department recognizes the bill authors' interest in encouraging youth participation in apprenticeship programming and reducing costs for adults participating in registered apprenticeship. However, for the reasons above, the department has significant concerns about the impact of this legislation on apprentices, employers, and the apprenticeship ecosystem.

At the same time, this legislation does not address priorities identified by key stakeholders and the department to incent employer participation in apprenticeship programming across sectors. DWD is eager to collaborate with bill authors and stakeholders to incorporate provisions aimed at supporting all apprentices in their chosen pathways, while encouraging employers and sponsors to help expand the apprenticeship ecosystem through novel approaches and innovative programming.

The department applauds the growing statewide interest in apprenticeship and would welcome the opportunity to engage with bill authors and stakeholders in a systematic way to assure any proposed legislation contributes to the success of Registered Apprenticeship, Youth Apprenticeship, and a thriving economy for generations to come.

DWD CONTACT: Legislative Liaison Arielle Exner, (608) 770-5223, Arielle.exner@dwd.wisconsin.gov



January 17, 2024 Senate Bill 747: Apprenticeship and Youth Apprenticeship

Chairman Feyen and Members of the Committee:

Thank you for the opportunity to testify on SB-747. The WTCDBA requests that the bill's language relating to technical colleges be removed from the bill (sections 1-3, 22-24). Unfortunately, these sections fundamentally misconstrue how dual credit is awarded by institutions of higher education per accreditation guidelines established by the Higher Learning Commission (the regional accreditor for all public institutions in Wisconsin) and other regional accreditors throughout the nation. Students who complete college coursework during high school can and do earn credits via several methods, based on what is most appropriate to the setting, coursework, student performance, and the relevance of the coursework to the academic program they pursue (see WTCS dual credit flyer, attached). Students may be awarded credit via advanced standing, transcripted credit, credit for prior learning, or they may take courses on a college campus. In all cases, credits must be awarded and applied to academic programs autonomously by colleges and universities, in order to ensure that learning outcomes are aligned and relevant to the credential.

The WTCDBA will oppose SB-747, because the language relating to technical colleges is a violation of academic integrity and autonomy that all institutions of higher education must maintain in the awarding of credits and credentials.

Respectfully submitted, Layla Merrifield Executive Director Wisconsin Technical College District Boards Association

DUAL CREDIT AND K-12 PARTNERSHIPS



3,100 WTCS

Dual credit is earned for a selection of high school courses that allow students to simultaneously earn both high school and college credit. Over the last five years, there has been striking growth in the number of students earning WTCS dual credit and the number of credits earned. Researchers have identified numerous advantages in earning dual credit, including cost savings, early entry to career pathways, decreased college remediation, reduced time to degree completion and stronger postsecondary outcomes.

DUAL CREDIT¹



WTCS DUAL CREDIT PARTICIPATION²



High School Student Dual Credit Participation Rate by Race/Ethnicity



²Represents the % of all high school students in Wisconsin who participate in dual credit by gender and race/ethnicity.

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DUAL CREDIT TYPES

Start College Now

Allows public high school juniors and seniors who meet certain requirements to take postsecondary courses at a Wisconsin technical college. Approved courses count toward high school graduation and college credit is earned. All cost for this program is covered by the high school.

Transcripted Credit

A college course and all its resources, including a college mentor, are provided to a qualified high school teacher in order to deliver a full college course to students while in high school. The students will receive a college transcript, and both college and high school credit at no cost to the student.

Youth Apprenticeship

Allows high school juniors and seniors who meet certain requirements to receive school-based and work-based instruction. A high school can contract with a technical college and instructor to teach a college level course to high school students when appropriate. The contract is paid by the high school.

706

522

511

475

335

308

38.14 Contract

Allows high school students to gain college level instruction from a college instructor. Both college level credit and high school credit is earned. The high school and the technical colleges engage in the contract. The contract is paid by the high school.

Advanced Standing

Advanced Standing is also referred to as "Credit in Escrow". The credit is activated when a student enters a program at the college. The college has an articulation agreement with the high school stating that one or more high school course(s) outcomes align to the first college level course. No additional costs are incurred to the student or high school.

TRANSCRIPTED CREDIT: TOP CAREER CLUSTERS

Articulation Course Agreements With High Schools (2022-23)

Business Management

& Administration

Manufacturing

S.T.E.M.

Associate of Arts

Agriculture, Food

Finance

Associate of Science

& Natural Resources

 Supervision
 Advanced Standing - 0.5%

 Advanced Standing - 0.5%
 Stat Contract - 10.2%

 Marced Standing - 0.3%
 Marced Standing - 0.5%

 Mouth
 Apprenticeship - 0.3%

 Marced Standing - 0.5%
 Marced Standing - 0.5%

"I was able to get all of my general's done while still being a high school student. Getting that hands-on experience and being able to save money in high school was something I want to advocate for other students."

- Becca Keller Student Ambassador, Chippewa Valley Technical College

IN 2022-23

OVER 400 HIGH SCHOOLS OFFERED 4,317

TRANSCRIPTED CREDIT ARTICULATION AGREEMENTS. Transcripted Credit is **FREE** for all students.

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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 747 Senate Committee on Economic Development and Technical Colleges January 17, 2024

Chairman Feyen and Members of the Committee:

Thank you for the opportunity to provide input on SB 747.

The Wisconsin Technical College System (WTCS) has been a proud partner with Wisconsin Apprenticeship for more than a century. We are the primary provider of related classroom instruction for Registered Apprenticeships and have worked with the Departments of Workforce Development and Public Instruction and trade organizations to design Youth Apprenticeships and expand apprenticeship opportunities to new in-demand sectors, including healthcare and childcare. Through these partnerships, WTCS has created unique career pathways that are considered national best practices.

These unique and ground-breaking career pathways are exemplified by our dual enrollment opportunities for Wisconsin high school students. Wisconsin high school students have multiple options to earn WTCS credits, including Start College Now (on campus), transcripted credit, Advanced Standing, s. 38.14 contracts (including Academies) and Youth Apprenticeship programs, and there are no costs to the students or their families for course tuition and fees. Research has shown that all of these WTCS dual enrollment options provide the same benefits to students: cost savings, early entry to career pathways, decreased college remediation, reduced time to degree completion, and stronger postsecondary outcomes. Last year alone, more than 62,200 Wisconsin high school students earned 284,954 technical college credits and saved \$41.6 million. Over the last five years, participation in dual credit has grown 21 percent.

Apprenticeship programs are similarly thriving; participation in WTCS apprenticeship has increased 17 percent over the past five years. WTCS apprenticeship completers are overwhelmingly satisfied with their instruction and on-the-job training, they benefit from family-sustaining wages, and primarily work and live within our state.

WTCS is committed to expanding both dual credit opportunities for Wisconsin high school students and education pathways from youth and pre-apprenticeship programs to Registered Apprenticeship or other postsecondary educational pathways. We support provisions within SB 747 that provide tax and grant incentives to employers, high schools, and individuals to participate in Youth and Registered Apprenticeship programs.

However, WTCS opposes provisions of SB 747 related to mandating the awarding of technical college credit or the manner of dual credit provided. WTCS cannot implement SB 747 as

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 currently written because it is in direct conflict with Higher Learning Commission (HLC) accreditation requirements. The enclosed Wisconsin Legislative Council memo dated March 4, 2022, outlines the conflicts between an earlier version of similar legislation (2021 Assembly Bill 973, as amended) and HLC requirements. Fundamental to HLC accreditation is the autonomy of the technical colleges' and System's governing boards to make decisions about credit value and application, course content, program credentials, student assessment, and instructor quality. The provisions under s. 38.40(2g)(c) and 118.34(1)(b) within SB 747 seek to remove this institutional autonomy for a defined set of courses and, therefore, directly conflicts with this central component of the accreditation process and jeopardizes WTCS colleges' accreditation and our students' eligibility for federal financial assistance.

WTCS is committed to innovating and expanding educational options in ways that align with accreditation and academic standards. As a result, we cannot support nor implement SB 747 as written.

Wisconsin Legislative Council

Anne Sappenfield Director



TO: SENATOR ROB STAFSHOLT

FROM: Emily Hicks, Staff Attorney

RE: Apprenticeship Courses and 2021 Assembly Bill 973

DATE: March 4, 2022

You asked for an explanation of 2021 Assembly Bill 973, as amended,¹ and how it relates to Wisconsin Technical College System (WTCS) programming for high school students and accreditation. The memorandum includes relevant background information on accreditation and current WTCS and Department of Workforce Development (DWD) programming for high school students.

BACKGROUND

Higher Learning Commission Accreditation

The Higher Learning Commission (HLC) is an organization that accredits institutions of higher education, including WTCS institutions. In its Criteria for Accreditation, HLC requires that "the governing board of an accredited institution is autonomous to make decisions in the best interest of the institution in compliance with board policies and to ensure the institution's integrity." [HLC Criteria for Accreditation, 2.C.]

Additionally, HLC requires that an accredited institution ensure the quality of its educational offerings. Specifically, <u>HLC Accreditation Criteria 4.A.</u> requires the institution to do all of the following:

- 1. Maintains a practice of regular program reviews and acts upon the findings.
- 2. Evaluates all the credit that it transcripts, including what it awards for experiential learning or other forms of prior learning, or relies on the evaluation of responsible third parties.
- 3. Ensures the quality of the credit it accepts in transfer.
- 4. Maintains and exercises authority over the prerequisites for courses, rigor of courses, expectations for student learning, access to learning resources, and faculty qualifications for all its programs, including dual credit programs. It ensures that its dual credit courses or programs for high school

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¹ On February 15, 2022, the Assembly Committee on Workforce Development recommended adoption of Assembly Substitute Amendment 1 on a vote of Ayes, 8; Noes, 0; and recommended passage of Assembly Bill 973, as amended on votes of Ayes, 7; Noes, 1. Assembly Amendment 2 to Assembly Substitute Amendment 1 was introduced on February 17, 2022, by Representative Oldenburg and adopted on that date. The bill was passed, as amended on February 17, 2022, by a vote of Ayes, 62; Noes, 30.

students are equivalent in learning outcomes and levels of achievement to its higher education curriculum.

- 5. Maintains and exercises authority over the prerequisites for courses, rigor of courses, expectations for student learning, access to learning resources, and faculty qualifications for all its programs, including dual credit programs. It ensures that its dual credit courses or programs for high school students are equivalent in learning outcomes and levels of achievement to its higher education curriculum.
- 6. Maintains and exercises authority over the prerequisites for courses, rigor of courses, expectations for student learning, access to learning resources, and faculty qualifications for all its programs, including dual credit programs. It ensures that its dual credit courses or programs for high school students are equivalent in learning outcomes and levels of achievement to its higher education curriculum.

WTCS and DWD Programming for High School Students

WTCS and DWD currently offer many experiential and credit earning opportunities for high school students, including the Youth Apprenticeship program, Advanced Standing courses, Transcripted Credit, and "38.14 contract" courses. Under the first two programs, a student **may** earn technical college credit, but it is not guaranteed. Under the latter two programs, technical college credit is guaranteed upon successful completion of a course.

Youth Apprenticeship

Youth Apprenticeship is a two-year program administered by DWD for high school juniors and seniors. Participants in the Youth Apprenticeship program incorporate occupation-related instruction and on-the-job training into their high school schedule. Upon completion of the Youth Apprenticeship program, students **may** be awarded credits in specific WTCS programs, depending on the specifics of their Youth Apprenticeship experience. As such, Youth Apprenticeship offers students job experience and the potential to earn technical college credit, but those credits are not guaranteed. [s. <u>106.13</u>, Stats.]

Advanced Standing Courses

Every school board is required to establish a technical preparation program in each public high school through which students may gain advanced standing in a technical college district's associate degree program. These are referred to as Advanced Standing courses. Advanced Standing courses are created by contract between a technical college and a high school that aligns the high school curriculum, in both content and rigor, with a course offered by the technical college. Advanced Standing courses are taught at high schools by high school teachers, and students who complete Advanced Standing courses earn high school credit. However, unlike typical high school courses, if a student completes an Advanced Standing course and later enrolls at a WTCS institution, that student will be awarded technical college credit for the Advanced Standing course he or she completed in high school. In Advanced Standing courses, the student is not earning technical college credit in high school, but rather **may** receive technical college credit for a course completed in high school, if the student later enrolls in a technical college. [s. <u>118.34</u>, Stats.]

Transcripted Credit

WTCS also offers concurrent enrollment programming called "Transcripted Credit." Transcripted credit programs are created by a contract between a high school and technical college. Through Transcripted Credit programs, high school students may simultaneously earn high school and technical college

credit. WTCS requires high school instructors who teach Transcripted Credit courses to have a license from the Department of Public Instruction in the subject area they intend to teach and to be approved by the contracting technical college. Credits and grades earned as part of a Transcripted Credit program become part of a student's official technical college transcript. Transcripted Credit courses allow high school students to earn technical college credits while in high school.

"38.14 Contracts"

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Finally, under "38.14 contracts" (so-named for s. <u>38.14</u>, Stats., that permits such contracts), a WTCS instructor teaches a WTCS course at a high school. Through s. <u>38.14</u> contract courses, high school students can earn technical college credit. School districts pay the cost of the courses so the courses are free to participating students. In s. <u>38.14</u> contract courses, high school students are earning technical college credit during high school.

2021 ASSEMBLY BILL 973, AS AMENDED

Relevant to this memorandum, Assembly Bill 973, as amended, requires the WTCS Board to ensure that an individual's successful completion of an apprenticeship course allows the individual to receive technical college course credit while in high school. The bill defines "apprenticeship course" as a course offered to high school students that meets all of the following criteria:

- Is offered to adults in an approved apprenticeship program under s. <u>106.001 (4)</u>.²
- Is an approved technical college district course.
- Is taught by school district faculty, technical college faculty, or by industry professionals who teach, or are qualified to teach, the course to adults in an approved apprenticeship program, as defined in s. <u>106.001 (4)</u>.

The bill does not define "approved technical college district course."

Additionally, the bill requires each technical college district board to annually publish a list of: (a) Advanced Standing courses approved as part of the technical preparation program for each public high school within the district; (b) the credit equivalency in each technical college district for each Advanced Standing course; and (c) courses that meet the criteria of "apprenticeship courses."

DISCUSSION

The bill requires WTCS institutions to grant technical college credit to high school students for successful completion of certain courses. It appears that this requirement could be in conflict with HLC Criteria for Accreditation regarding governing board autonomy. Additionally, because the bill does not define "approved technical college district course," it could create a conflict with HLC's Accreditation Criteria that require institutions to ensure the quality of educational offerings.

² An "apprenticeship program" is a program approved by DWD providing for the employment and training of apprentices in a trade, craft, or business that includes a plan containing all of the terms and conditions for the qualification, recruitment, selection, employment, and training of apprentices. Apprenticeship programs are required to include several hours of related instruction that may or may not include classroom instruction. [ss. <u>106.001 (4)</u> and <u>106.01 (6)</u>, Stats., and s. <u>DWD 295.001 (20)</u>, Wis. Adm. Code.]

First, the bill could be interpreted to remove WTCS institutions' autonomy to "make decisions in the best interest of the institution in compliance with board policies and to ensure the institution's integrity" as is required to maintain HLC accreditation.

Additionally, the bill may conflict with WTCS's responsibility to ensure the quality of educational offerings under HLC Accreditation Criterion 4.A. The bill requires WTCS institutions to grant technical college credit to high school students for courses that meet certain criteria, including that the course is "an approved technical college district course." However, the bill does not define "approved technical college district course."

Specifically, as explained above, programs such as Youth Apprenticeship and Advanced Standing contain courses that are approved by WTCS; however, those courses are approved for use in those specific programs, but not approved for high school students to earn technical college credit while in high school. Therefore, the bill may require WTCS to grant technical college credit to high school students even when doing so does not align with its policies and standards for conferring credit. This statutory obligation may be in direct conflict with HLC Accreditation Criterion 4.A, which requires an institution to maintain autonomy and ensure quality of educational courses. If WTCS complies with the bill, it potentially risks its institutions' accreditation; if WTCS complies with the HLC Accreditation Criteria, it risks violating the bill.

In summary, the bill's requirements and HLC accreditation criteria are potentially, in certain circumstances, in direct conflict because the bill requires WTCS to grant technical college credit in situations it normally would not do so, while HLC Accreditation Criteria require accredited institutions to maintain autonomy and decision-making authority over conferring credit.

Please let me know if I can provide any further assistance.

EH:ksm



My name is Terry McGowan, and I am the President and Business Manager of the Wisconsin Operating Engineers. I appreciate the opportunity to submit this testimony.

As everyone on the Committee is aware, finding the right worker with the right training can be a daunting task in today's competitive job environment. Apprenticeships are time-tested, higher education programs that allow workers to earn good wages while learning on the job. Youth apprenticeships and pre-apprenticeship programs expose high school students to careers and are a bridge to entry into adult registered apprenticeship programs.

Wisconsin Operating Engineers' adult and youth apprentices have little, direct tuition costs for their training. However, there are still costs that create a substantial barrier to entry into the trade, such as costs for tools, work boots, other safety materials, and transportation to and from the training center in Coloma, WI.

SB 747/AB 779 expands several existing apprenticeship programs. These changes will ensure that *all apprentices* who incur out-of-pocket costs have the opportunity to recoup a portion of those costs.

Mostly importantly for the Wisconsin Operating Engineers, the bill also contains provisions that will incentivize high schools to offer classes and programs that prepare students to enter the workforce. It provides for technical college dual enrollment and credit for students when a high school offers apprenticeship curriculum that is also offered to adult apprentices through technical colleges. In other words, high school students get technical college credit just like adult apprentices do for the same courses.

I know that the Wisconsin Technical College System opposes this provision. They have claimed that requiring them to offer dual enrollment to high school students somehow poses a risk to their higher education credentials. Frankly, this makes no sense to me. The Wisconsin Operating Engineers adult apprenticeship program is offered through Fox Valley Technical College. Fox Valley sits on the Operating Engineers' Skill Fund Board, together with contractors and Operating Engineers



with the technical knowledge of the industry. The Skill Fund Board, which, again includes a Fox Valley representative, reviews and approves the curriculum for completion of an Operating Engineer apprenticeship. Adult apprentices are enrolled in Fox Valley, and Fox Valley provides apprenticeship courses with technical college course numbers. The instructors for the adult apprenticeship courses are all authorized to teach these technical college courses.

The Wisconsin Operating Engineers offer several of its adult apprenticeship courses to high school students through an online virtual high school called Destinations Career Academy, which is sponsored out of the McFarland School District. Most students stay in their home school district and take apprenticeship courses through Destinations Career Academy on a part-time basis. Fox Valley refuses to allow Destinations Career Academy students dual enrollment and dual credit for the apprenticeship courses. Instead, they claim high school students must use a convoluted, advanced standing process to apply for technical college credit *after* high school graduation. This creates an artificial barrier for students and their parents. We should be making it easier for high school students and their parents to choose an apprenticeship path, not more difficult.

Fox Valley recently approached the Wisconsin Operating Engineers about offering its adult apprenticeship courses to high school students at a local high school. Fox Valley proposed to have students dual enrolled in the technical college system. If they can offer dual enrollment to high school students taking Operating Engineers' apprenticeship courses in a traditional school, students and their parents who choose to take the courses through an online public charter school should be treated no differently.

Technical colleges in Wisconsin offer dual enrollment for high school students for many, many courses. Apprenticeship courses should not be treated as less important for high school students than other courses for other educational pathways. SB 747/AB 779 helps remove barriers to entry into the workforce for students who elect to enter an apprenticeship.

ginners' Skill Fund Board, together with contractors and Operating Engineers.

Senate Bill 747 Testimony from Steve Kwaterski, Political & Communications Director of the Wisconsin Laborers' District Council

Good morning, Chairman Feyen and thank you committee members for the opportunity to discuss Senate Bill 747.

My name is Steve Kwaterski, and I am the Political & Communications Director for the Wisconsin Laborers' District Council, a trade union that represents over 9,000 active and retired skilled laborers throughout the state.

Our state has a record number of participants in its various registered apprenticeship programs, and in 2023 we had 680 registered apprentices go through our program, which was an all-time high.

While my union recognizes SB 747 has made some improvements from its previous version from the last legislative session, we still have concerns with some provisions and would rather see legislation that focuses on removing barriers for entering Wisconsin's construction industry, including providing incentives to sponsors of registered apprentices and providing incentives to apprentices such as assisting with costs for transportation, childcare, and the like.

Our first concern revolves around the skilled wage rate provision included in the bill. Other than apprentice wage rates that are mutually approved in a collective bargaining agreement, this provision would allow individual contractors who are not party to a collective bargaining agreement to determine the wage that one of their apprentices would be paid.

There is no way that the Department of Workforce Development would be able to track the apprenticeship wage determination made by each non-union contractor, so there would be no oversight.

I think this would contribute toward a race to the bottom, where non-union apprentices are underpaid, exacerbating the existing two-tiered system between union and non-union apprentices.

During my opening remarks, I mentioned the record participation rate for Wisconsin's registered apprenticeship programs, but SB 747 doesn't provide the incentive to get more people who are interested in a career in construction to get sponsored by an employer.

Our union conducts substantial outreach efforts to recruit registered apprentices. This is done both through traditional means such as attending job and career fairs, meeting with interested high school students, attending community events, and advertising on TV, radio, and online.

We also have increased our efforts to recruit historically underserved populations by engaging community-based organizations, faith based organizations, as well as governmental and private-sector partners.

Some examples include working with the Department of Corrections at Kettle Moraine Correctional Institution, Racine Correctional Institution, and the Taycheedah Correctional Institution to create pathways for soon-to-be-released incarcerated people who are reentering society. We are also working with regional organizations such as county Boys and Girls Clubs, workforce development boards, and worker training programs like WRTP/BIG STEP and the Latino Academy of Workforce Development to provide education and prepare pathways to a lifelong career as a skilled union Laborer.

Again, the reality we're facing right now is not a lack of interest in our craft or the Trades generally but the fact that there is a significant bottleneck when it comes to getting more employers to sponsor registered apprentices.

Last year, the Wisconsin Laborers' Apprenticeship and Training Fund made 1,045 individual contacts with people interested in registered apprenticeship. Of these people, 661 took an Accuplacer test either through our Training Center or an independent testing location. 606 received letters of eligibility, but only half of these people received a sponsorship from an employer. The other half never received a sponsorship from an employer. So, our union does all it can to keep these qualified folks engaged while trying to match them with a sponsoring employer, but if they inevitably aren't hired by a sponsoring employer, many will seek employment elsewhere and move out of the construction industry to seek a job that doesn't require a registered apprenticeship.

Thus, we think SB 747's proposed removal of the Apprenticeship Completion Award Program for applicants' sponsors is counterintuitive to addressing this problem. ACAP as it exists is certainly no silver bullet in its current form. But we need to find additional incentives that work for employers to hire more registered apprentices and close the gap of those who are waiting for their chance to start their apprenticeship and their career.

Finally, our union has concerns regarding the creation of a youth apprenticeship award completion program as it pertains to the construction industry. Working in construction as a skilled laborer or in another craft can result in a fulfilling career with great wages and benefits. But construction is a dangerous field of work, and our union's position is that 16 or 17 year old kids have no place working on a construction job site.

To reiterate my previous concern, we should be working to get more registered apprentices on to job sites – those who are actively attending skills and safety classes at training centers or technical colleges as conditions of their apprenticeship.

And I'm not saying that we shouldn't be providing exposure to the next generation of construction workers. Our union alone visited hundreds of high school career fairs last year meeting with thousands of high school students. These events are conducted in controlled environments where students can try out different scopes of work in a safe manner. This outreach, along with consistent meetings with educators, guidance counselors, school administrators, and parents all play a significant role in widening the understanding about the benefits of a career working in construction.

I thank you again for your consideration of some of my union's concerns regarding Senate Bill 747, and I am happy to answer any questions that you may have.

TO:	Chairman Feyen and Members of the Senate Committee on Economic Development and Technical Colleges
FROM:	Steve Breitlow, Business Manager, Plumbers Local 75
DATE:	January 17, 2024
RE:	Senate Bill 747

On behalf of Plumbers Local 75's 1730 members, I'd like to thank Senator Feyen and Rep. Oldenberg, as well as legislative leadership, for improvements to this bill. We strongly opposed 2021 AB 973 and this version does include progress. That said, we still have a few major concerns with this bill what we hope will be addressed.

I think we all agree that exposure to the Trades and encouraging high school students to consider a career in the construction industry is important and the right thing to do to support our Wisconsin economy and skilled worker heritage. For centuries apprenticeship has been the model for training the next generation of trades people in their trade or craft from professionals already skilled in the craft they are learning.

To that end, Plumbers 75 as an organization participates in several dozen career presentations at High Schools and multi trade career fairs every year. We support and work with WRTP BIGSTEP as a partner in our outreach and recruitment efforts especially related to underserved populations in the construction industry to expose and encourage young people to become interested in our craft and take the path of apprenticeship. With record numbers of registered apprentices in Wisconsin, I believe our collective efforts are having a positive impact on the image and opportunities available through registered apprenticeship. Plumbers 75 currently has **347 apprentices** right now and we have a great partnership in training with our contractors through our Joint Apprenticeship Committees. In the last 15 years we have more than doubled our training staff and annual apprenticeship training budget. Local 75 and its contractor partners are putting \$2.5 million per year into apprentice training - 100% funded by our member approved wage allocations. We welcome any legislator to visit one of our training centers for a tour of our facilities and programs.

What many people don't realize is that we routinely have more people who want to be apprentices than we have slots. We average about 135 applicants with their Letter of Introduction who are apprentice ready and available - who are waiting to be hired by a sponsoring contractor. And I know that several building trades are in the same boat. So, there are plenty of young people interested in getting into the pipeline, but it's clogged at the end. What I really wish we were talking about here today is incentivizing more contractors to hire REGISTERED apprentices.

As a skilled, licensed trade, even our apprentices are licensed as state registered and contracted through their local Joint Apprenticeship Committees. Their schooling and on-the-job training is monitored and measured to ensure that they are trained through well-rounded experiences and relevant classroom curriculum throughout their apprenticeships. Employers of registered apprentices (RA) must be approved as trainers through our Local JAC's per state standards.

On the other hand, Employers that hire youth apprentices (YA) are not required to be a registered apprentice- approved training facility. This lack of connection to registered apprenticeship can be

misleading and confusing to YA's and their parents who often do not know there is a difference between RA and YA.

Exposure to the trades through YA may be well intended but without a clear path or bridge to registered apprenticeship, I believe we run the risk of turning away and/or turning off potential candidates for RA by leading down a dead end path in the name of apprenticeship. Creating a YACAP isn't likely to boost interest in our craft, but may add to the misnomer of YA being a connection to RA. I'm very concerned that employers hiring YA's aren't actually participating in registered apprenticeship. Some of these YA employers may not have completed an apprenticeship or employ someone who had or even intend to. If employers are not qualified to be a RA trainer and If that connection isn't made, then it may result in short-circuiting a career opportunity... so all we're doing here is subsidizing part time jobs, not creating a path to a meaningful career.

The current ACAP program isn't perfect and I don't think it's being utilized as well as it could be. But both our contractors and our apprentices are currently eligible for ACAP awards - which of course apply to actual registered apprenticeship. As drafted, this bill <u>eliminates</u> the contractors' award in existing ACAP. To me that's going in the wrong direction - as I said, we should be looking at more ways to incentivize contractors in all areas of construction to hire apprentices, this bill takes an existing incentive away.

The other part of this bill that I have a significant concern with is a new piece - a provision that allows contractors to individually determine their own skilled wage rate that apprentice pay rates are based off of. This makes no sense to me. An apprentice is supposed to be paid on average 60% of the skilled wage rate for a given craft in a given area. Currently DWD sets it. This seems to me like a way to remove that floor for apprentice pay. Further, the ability for DWD to enforce that an individual employer is setting an appropriate rate, and thus paying apprentices correctly, seems impossible. This just seems like a way to rip off workers or allow some contractors to undercut other contractors. You can ask others what the motivation is here because I don't know, but I can tell you that I oppose this. The skilled wage rate should be set by the department or through local apprenticeship committees, not by individual employers.

This bill has improved a lot since AB 973 last session - the tax credit treats all apprentices equally, that wasn't the case last session. So I'm thankful for those efforts. The skilled wage provision is a problem and I think that should be looked at separately. YA and RA should be connected to keep the apprentice moving forward in construction. And I hope the committee will think seriously about how to get more employers to hire registered apprentices before anything else and look for ways that we can all work together - everyone in the construction industry - to highlight these career paths for young people.



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

FROM: Wisconsin Pipe Trades Association

DATE: Wednesday, January 17, 2024

RE: Concerns with certain provisions of SB 747

On behalf of the Wisconsin Pipe Trades Association (WPTA), thank you for the opportunity to provide comment on SB 747. We certainly recognize the hard work that many have put into this bill, including the authors, leadership, and multiple stakeholder groups. We appreciate the overall intent of SB 747 to promote apprenticeship and careers in construction.

Unfortunately, the board of the WPTA simply disagrees with some of the provisions and question whether they will "move the needle" in Wisconsin. While the intent of the skilled wage rate language is to clear up some misconceptions and confusions, we oppose the current language because each individual employer could simply pick a wage rate – and that is not the intent of the law. We are happy to continue working towards language that works to provide additional clarity.

Our organization partners with our contractor members to invest more than \$10 million each year into the necessary training to grow the construction workforce. Therefore, we are generally cautious how taxpayer dollars are used.

While we appreciate the Legislature's interest in investing in construction, we feel as though there are ideas that perhaps could be more impactful – as an example, we are experiencing waiting lists in the plumbing, steamfitting, sprinklerfitting, and HVAC technician areas. Training apprentices is a major investment and not every contractor sees the value in making that investment. A proposal to incentivize contractors and sponsors to hire and train apprentices might have more of an impact in getting these folks into apprenticeship but as importantly, into the field and a meaningful career, ultimately bolstering the state's workforce.

Thank you for your consideration. We hope there will be continued dialogue on SB 747.