

WISCONSINTECHNICAL COLLEGE DISTRICT BOARDS ASSOCIATION

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Governor Proposes Major New Workforce Training Investment in State of the State Address

One-time funding boost to be focused on building technical college capacity and reducing waiting lists.

In a speech highlighting an improving economy, jobs, the workforce, and major property tax relief affecting technical college funding (detailed in last evening's Special Report available <u>HERE</u>), Governor Walker last night also proposed a significant new investment focused on building technical college capacity and reducing waiting lists.

While full details are not yet available, it appears the Governor's proposal will seek a one-time \$35 million new investment funded by improving state revenues. The funds would be delivered through the new "Fast Forward" job training grants program administered through the Department of Workforce Development (DWD). This would likely be based on a new set of grants targeted directly to technical colleges and not likely subject to the existing Fast Forward criteria or grant process.

Based on what we know now, the proposal will be shaped to move the funding rapidly to districts that can expand capacity and eliminate bottlenecks, especially wait lists, for programs leading quickly to jobs. This would represent a major positive investment in expanding technical college capacity, but will require extremely quick implementation in ways that are possible through a one-time funding boost.

We do not yet have any other proposal details such as the size of allowable projects, allowable fund uses (capital equipment, instruction, etc.) targeting of specific programs, specific outcomes to be produced, or the timeframe within which funded activities could take place.

The existing Fast Forward grants were created as one of the first new laws passed in the current session (2013 Act 9, signed into law in March, 2013). The current program is funded at \$7.5 million annually for various projects. The majority of funding is for competitive grants to business and industry for worker and job training programs. The

first round of grant proposals are under consideration now, and should be awarded in the near future. Technical colleges are eligible partners for the current grants and are partners in several grant applications around the state.

WTCS President Morna Foy and staff have worked closely with DWD Secretary Reggie Newson and his staff on the Fast Forward program. This ongoing collaboration provides a solid foundation for the new proposed Fast Forward program purposes and funding. In fact, President Foy and Secretary Newson conferred informally at the Capitol immediately following the Governor's address last night.

Like the previously announced property tax shift proposal, the new Fast Forward investment will be introduced as a bill at the Governor's request and is expected to be considered on a legislative fast track.

While there is legislative support for each of the Governor's proposals to use the projected \$912 million in improved revenues, Senate Majority Leader Scott Fitzgerald (R-Juneau) is widely quoted as not having complete consensus in support of any specific funding amount or proposal. The Senate is controlled by Republicans with an 18-15 majority. Some Senate Republicans have expressed an interest in using at least some of the new revenue to reduce structural deficits rather than for new programs. Each of the Governor's specific proposals and the associated funding levels are, of course, subject to passing both houses.

A funding boost targeting technical college capacity and waiting lists is enormously positive and recognizes technical colleges' responsiveness and outcomes. Depending on how the proposal evolves, this could represent the single largest boost in capacity ever dedicated to the colleges.

We will provide additional updates as soon as more details emerge.

This report was prepared by Paul Gabriel for members of the Wisconsin Technical College District Boards Association. Any opinion or analysis in the report is exclusively the author's.