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**DWD Testimony on the 2015-17 Biennial Budget Bill
Provided by Secretary Reggie Newson
March 3, 2015**

Dear Members of the Joint Committee on Finance:

I am here today to express my support for Governor Walker's 2015-2017 State Biennial Budget Bill, particularly the provisions related to the Department of Workforce Development.

As Wisconsin's talent development agency, DWD plays a key role in carrying out Governor's Walker's agenda to develop the workforce and grow the economy. As the Governor has said, effective worker training programs are inherently economic development efforts. As we help employers find the skilled workers they need, we increase their ability to be competitive and confident in taking on more work. This leads to job creation and, ultimately, reaffirms the economic value of a strong talent development system.

Governor Walker's budget gives us an opportunity to take talent development and economic growth to new levels in Wisconsin. A primary example is the Wisconsin Fast Forward worker training program that the Legislature supported in 2013. The Governor's budget maintains \$15 million for the program during the next biennium, and it invests an additional \$10.7 million in grant funding to increase opportunities for workers and students to access employer-driven, targeted skills training with businesses that have open jobs. Additionally, DWD will have the ability to make high-demand programs eligible for grants, including Youth Apprenticeship and K-12 programs that help students graduate with industry-recognized credentials. This budget will allow us to use the business connections and expertise benefiting Wisconsin Fast Forward to support and build upon our existing youth and adult apprenticeship programs.

The budget further aligns talent development with education with continued funding for academic and career planning for schools, so children can prepare for higher education and a career.

The Governor's budget demonstrates his continuing support for veterans. The plan includes a \$500,000 grant to fund the Victory Spark Program, providing funds to pay start-up costs of veteran-owned businesses and entrepreneurial training and related services. The budget also includes the consolidation of veteran-related activities to maximize efficiency and strengthen program awareness.

The Governor's budget also includes measures to improve government efficiency and accountability. His plan transfers Worker's Compensation functions to the Office of the Commissioner of Insurance and the Department of Administration's Division of Hearings and Appeals. This will help us leverage existing expertise on insurance and adjudication for improved efficiency and effectiveness. We will work with OCI and DOA to ensure Wisconsin's worker's compensation system remains strong and that injured workers continue to move quickly through the system.

We will continue to lead in helping job seekers with disabilities achieve their employment outcomes through the Division of Vocational Rehabilitation. As you may be aware, we eliminated the Category II wait list for job seekers with significant disabilities at the end of last calendar year. The budget maintains funding to capture the full match of federal dollars to enable job seekers to receive services and find a job quickly.

Finally, passing a drug test is a common-sense measure to ensure those who collect unemployment benefits are ready and able to work. The Governor's budget includes an initial \$500,000 investment to develop drug treatment programming while we build a structure to ensure those who receive unemployment benefits demonstrate they are ready and able to work by passing a drug test. The Governor's budget also brings much-needed increases in the civil and criminal penalties for UI fraud so we can deter attempts to defraud the UI system, protecting state taxpayers.

In closing, we look forward to working with our partners in the Legislature to advance these initiatives in the Governor's budget. I am happy to take questions at this time.