



Testimony on *Assembly Bill 888* before the
ASSEMBLY COMMITTEE ON WORKFORCE DEVELOPMENT
February 6, 2018

Wisconsin Economic Development Association

Good morning Chairman Petryk and members of the committee. My name is Michael Welsh, and I am the legislative affairs director for the Wisconsin Economic Development Association. Thank you for the opportunity to testify today in favor of Assembly Bill 888.

WEDA is a statewide association representing roughly 450 public and private sector economic development professionals. We are dedicated to advancing economic prosperity in Wisconsin and providing our members with the necessary tools to encourage business expansion and promote private investment.

Strengthening Wisconsin's workforce is a priority for WEDA members and economic development in general. In fact, there has always been a natural overlap between economic development and workforce development. But with Wisconsin's worker shortage hitting crisis levels, the two have essentially become one in the same.

One of the most important factors in successful business retention and attraction is the presence of a strong talent pipeline that meets the workforce needs of the business community. However, between an aging population, a declining birthrate, record low unemployment, and difficulty attracting new residents, Wisconsin does not have enough workers to fill current job openings.

Wisconsin's worker shortage impacts every industry sector and threatens economic growth statewide. Unfortunately, there is no simple solution to the problem. It will require a comprehensive strategy that includes collaboration between businesses and policymakers, and the implementation of bold, forward-thinking policies and programs.

Progress has certainly been made, and WEDA would like to commend the Legislature for focusing on workforce issues and implementing long-term policies to address the state's workforce shortage. However, many challenges remain and efforts to attract new workers to Wisconsin in the short-term should be a priority.

Wisconsin has long struggled to attract people from other states, and we typically rank near the bottom nationally for the number of people moving into our state. In fact, Wisconsin has recently had a negative net migration rate – meaning the number of people moving out of the state has exceeded the number of people moving into the state. According to U.S. Census Bureau figures, between 2010-2017, Wisconsin “lost” 68,738 residents.

Assembly Bill 888 could be part of the solution in reversing this trend. The legislation alone will not solve our workforce challenges, but it would certainly help strengthen Wisconsin's labor force by encouraging talented, young professionals to live and work in Wisconsin after they graduate from college.

The proposed legislation would enhance Wisconsin's workforce by targeting an educated, work-ready population often overlooked: Out-of-state students that attend Wisconsin's public colleges and universities. Each year, roughly 3,000 non-resident students graduate from UW System institutions. Unfortunately, about 90% of them leave Wisconsin within two years after graduation. AB 888 would help improve that disheartening statistic by offering out-of-state graduates the opportunity to earn "in-state tuition" by remaining in Wisconsin after graduation to live and work – as well as pay taxes and contribute to the state's economy.

Non-resident students are a prime target population, as they already understand the value of living in Wisconsin and what the state has to offer in terms of professional and personal opportunities. AB 888 bill would offer a significant incentive to encourage non-resident graduates to become permanent Wisconsin residents and ultimately help alleviate the state's workforce shortage.

In closing, I would urge you to support Assembly Bill 888 as part of a comprehensive strategy to address Wisconsin's worker shortage crisis. Thank you for your time and consideration. I would be happy to answer any questions.