



September 29, 2017

TO: The Honorable Sen. Patrick Testin & Members of the Senate Committee on Workforce Development, Military Affairs & Senior Issues
The Honorable Rep. Warren Petryk, & Members of the Assembly Committee on Workforce Development

FROM: Brad Paul,
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RE: Skills Enhancement & Job & Business Development Programs

We want to thank the Committee Chairs & Members for accepting our written testimony on two innovative Community Action programs that are successfully strengthening Wisconsin's workforce – yet are significantly underfunded.

The Skills Enhancement Program helps low-wage workers who are employed at least half-time get the training they need to obtain better paying jobs and reach economic self-sufficiency. Skills helps participants, mainly low-income parents, to overcome educational barriers by providing comprehensive case management, as well as financial assistance with tuition & fees, child care & transportation to attend classes. Funded since 2010 at \$250,000 GPR annually the 340 graduates have **increased their income by nearly \$10,000 a year on average** and improved access to employer health care by 400%. Graduates are projected to earn **\$340,000 more** during their working lifetimes.

The Job & Business Development Program is a unique program that helps low-income entrepreneurs become self-employed by starting or expanding small businesses in Wisconsin. Staff assist clients to assess feasibility, develop business, financial & marketing plans and access capital through commercial lenders and agency-operated revolving loan funds. Begun in 1989 during Governor Thompson's tenure JBD clients have launched over 2,200 new businesses and created over 6,000 new jobs. Originally funded at \$250,000/year, the state budget currently provides \$200,600 GPR annually.

Despite their remarkable success, both programs are seriously underfunded. The cumulative effects of inflation and fiscal rescissions have eroded the reach of JBD services - now available in less than half the counties. Skills Enhancement serves only about half the state – leaving many regions with unmet needs.

We urge Committee members - as state leaders in workforce development - to work with your colleagues to explore ways to better support and increase access to these transformative self-sufficiency programs. We look forward to working with you!

About WISCAP: WISCAP is the statewide association of Wisconsin's 16 anti-poverty Community Action Agencies and 2 statewide special purpose agencies. Our network addresses the problems of poverty across multiple sectors by helping low-income people attain greater economic self-sufficiency and by relieving situations of distress. Community Action Agencies strengthen families and communities by providing programs and services, including housing, energy, transportation, education, health, business development, family support, and food security.