

DEPARTMENT OF WORKFORCE DEVELOPMENT

GOVERNOR'S BUDGET RECOMMENDATIONS

Source of Funds	FY19 Adjusted Base	FY20 Recommended	% Change Over FY19	FY21 Recommended	% Change Over FY20
GPR	46,379,200	40,152,700	-13.4	40,172,500	0.0
PR-F	207,411,600	202,632,700	-2.3	201,644,000	-0.5
PR-O	3,167,000	3,262,500	3.0	3,269,500	0.2
PR-S	73,545,400	74,003,000	0.6	74,057,200	0.1
SEG-O	25,033,500	25,666,800	2.5	25,678,200	0.0
TOTAL	355,536,700	345,717,700	-2.8	344,821,400	-0.3

FULL-TIME EQUIVALENT POSITION SUMMARY

Source of Funds	FY19 Adjusted Base	FY20 Recommended	FTE Change Over FY19	FY21 Recommended	FTE Change Over FY20
GPR	150.82	150.82	0.00	150.82	0.00
PR-F	1,167.18	1,164.18	-3.00	1,164.18	0.00
PR-O	8.90	8.90	0.00	8.90	0.00
PR-S	209.35	209.35	0.00	209.35	0.00
SEG-O	72.80	109.30	36.50	109.30	0.00
TOTAL	1,609.05	1,642.55	33.50	1,642.55	0.00

AGENCY DESCRIPTION

The department is led by a secretary who is appointed by the Governor with the advice and consent of the Senate. The department's programs are administered by the Office of the Secretary and the following six divisions: Equal Rights, Unemployment Insurance, Vocational Rehabilitation, Worker's Compensation, Employment and Training, and Administrative Services.

The department's functions include:

- Developing and maintaining systems for unemployment insurance, worker's compensation and other income maintenance benefit payments to help minimize the effects of decreased or irregular purchasing power of workers due to unemployment or work-related injury or illness, and to promote self-sufficiency.
- Assisting employers looking for workers and people looking for jobs. Developing training opportunities to improve job skills of Wisconsin residents in order to help business and industry meet skilled workforce needs. Providing leadership among the state agencies on the development of employment and training policy and planning. Coordinating local planning for, and effective delivery of, labor exchange and employment and training program services throughout the state's one-stop job center system.

Workforce Development

- Providing programs, services, assessment and training to people with disabilities to develop skills needed to obtain employment.
- Promoting compliance with laws and codes designed to protect the public from discrimination in employment, housing and public accommodations, and to assure adherence to fair labor standards.

MISSION

The mission of the department is to advance Wisconsin's economy and business climate by empowering and supporting the workforce.

PROGRAMS, GOALS, OBJECTIVES AND ACTIVITIES

Program 1: Workforce Development

Goal: Provide job applicants with access to available jobs in Wisconsin.

Objective/Activity: Increase employers' access to available labor pools and job seekers' access to available jobs by increasing the number of job orders posted on www.JobCenterofWisconsin.com.

Goal: Provide high school students with school-based and work-based instruction to assist them to directly enter the workforce with occupational skills needed by Wisconsin employers.

Objective/Activity: Increase the employability of high school graduates through youth apprenticeship.

Goal: Prepare individuals for skilled occupations through apprenticeship participation that combines on-the-job training, under the supervision of experienced journey workers, with related classroom instruction.

Objective/Activity: Improve access to quality training and family-supporting careers by increasing the number of new apprenticeship contracts each year through new program development and program expansion.

Goal: Maintain the efficiency of worker's compensation programs.

Objective/Activity: Monitor promptness of first indemnity payment of worker's compensation injury claims to ensure compliance with the performance standard that 80 percent of first indemnity payments are issued within 14 days of injury, as set forth under DWD 80.02(3)(a), Wis. Admin. Code.

Goal: Provide temporary economic assistance to Wisconsin's eligible unemployed workers and stabilize Wisconsin's economy by paying unemployment insurance benefits as quickly and accurate as possible.

Objective/Activity: First payment promptness for paying intrastate worker claims for unemployment insurance will meet or exceed the federal standard established by the secretary of the U.S. Department of Labor.

Program 5: Vocational Rehabilitation Services

Goal: Obtain, maintain and improve employment for people with disabilities by working with vocational rehabilitation consumers, employers and other partners.

Objective/Activity: Provide high-quality employment preparation, assistive technology and placement services to eligible individuals and improve employment outcomes for people with disabilities.

Workforce Development

PERFORMANCE MEASURES

2017 AND 2018 GOALS AND ACTUALS

Prog. No.	Performance Measure	Goal 2017	Actual 2017	Goal 2018	Actual 2018
1.	Number of new jobs posted on www.JobCenterofWisconsin.com.	385,000	459,576	404,000	475,284
1.	Number of students enrolled in Youth Apprenticeship program.	3,400	3,562	3,500	4,365
1.	Number of new registered apprentice contracts.	3,000	3,150	3,100	3,428
1.	Percentage of worker's compensation claims with first indemnity payments made within 14 days of injury.	80%	81%	80%	80%
1.	Federal performance metric for intrastate unemployment insurance first payment.	87%	84.4%	87%	85.6% ¹
5.	Number of employment outcomes for job seekers with disabilities. ²	3,950	4,455	3,975	4,143

Note: Based on fiscal year.

¹The performance period for this goal is from April 2017 through March 2018.

²The goals for this measure have been increased.

Workforce Development

2019, 2020 AND 2021 GOALS

Prog. No.	Performance Measure	Goal 2019	Goal 2020	Goal 2021
1.	Number of new jobs posted on www.JobCenterofWisconsin.com.	424,295 ¹	514,067	534,630
1.	Number of students enrolled in Youth Apprenticeship program.	4,600 ¹	4,750	4,850
1.	Number of new registered apprentice contracts.	3,200	3,500	3,600
1.	Percentage of worker's compensation claims with first indemnity payments made within 14 days of injury.	80%	80%	80%
1.	Federal performance metric for intrastate unemployment insurance first payment.	87%	87%	87%
5.	Number of employment outcomes for job seekers with disabilities.	4,000 ¹	4,025	4,050

Note: Based on fiscal year.

¹Goals for 2019 have been revised.

DEPARTMENT OF WORKFORCE DEVELOPMENT

GOVERNOR'S BUDGET RECOMMENDATIONS

RECOMMENDATIONS

1. Minimum Wage
2. Prevailing Wage
3. Right to Work
4. Family and Medical Leave
5. Local Employment Regulations
6. Project Labor Agreements
7. Job Applicant Conviction History
8. Drug Testing Unemployment Insurance Claimants
9. Worker's Compensation Appellate Functions
10. High School Student College Credit
11. Transfers to the Department of Public Instruction
12. Worker Training
13. Project SEARCH
14. Unemployment Insurance Changes
15. Unemployment Insurance Work Search Requirements
16. Labor and Industry Review Commission
17. Independent Living Centers Transfer
18. 2017 Wisconsin Act 370 Fiscal Changes
19. Federal Programs Reestimates
20. Standard Budget Adjustments

ITEMS NOT APPROVED

21. Work Permits
22. Veteran Outreach Program
23. Wisconsin Commute to Careers
24. Wisconsin Fast Forward
25. CTE Grants Appropriation
26. Wisconsin Career Creator

Workforce Development

Table 1
Department Budget Summary by Funding Source (in thousands of dollars)

	ACTUAL FY18	ADJUSTED BASE FY19	AGENCY REQUEST FY20	AGENCY REQUEST FY21	GOVERNOR'S RECOMMENDATION FY20	GOVERNOR'S RECOMMENDATION FY21
GENERAL PURPOSE REVENUE	\$40,569.7	\$46,379.2	\$74,906.2	\$49,926.0	\$40,152.7	\$40,172.5
State Operations	11,209.7	12,116.2	12,850.8	12,870.6	12,100.8	12,120.6
Local Assistance	0.0	1,753.5	1,753.5	1,753.5	422.4	422.4
Aids to Ind. & Org.	29,360.1	32,509.5	60,301.9	35,301.9	27,629.5	27,629.5
FEDERAL REVENUE (1)	\$214,309.2	\$207,411.6	\$202,632.7	\$201,644.0	\$202,632.7	\$201,644.0
State Operations	135,269.6	125,828.4	126,883.8	126,883.8	126,883.8	126,883.8
Aids to Ind. & Org.	79,039.6	81,583.2	75,748.9	74,760.2	75,748.9	74,760.2
PROGRAM REVENUE (2)	\$37,049.9	\$76,712.4	\$77,390.9	\$77,474.3	\$77,265.5	\$77,326.7
State Operations	36,576.5	76,272.5	76,880.6	76,941.8	76,825.6	76,886.8
Aids to Ind. & Org.	473.4	439.9	510.3	532.5	439.9	439.9
SEGREGATED REVENUE (3)	\$22,161.7	\$25,033.5	\$25,666.8	\$25,678.2	\$25,666.8	\$25,678.2
State Operations	13,007.9	14,173.5	14,806.8	14,818.2	14,806.8	14,818.2
Aids to Ind. & Org.	9,153.7	10,860.0	10,860.0	10,860.0	10,860.0	10,860.0
TOTALS - ANNUAL	\$314,090.5	\$355,536.7	\$380,596.6	\$354,722.5	\$345,717.7	\$344,821.4
State Operations	196,063.8	228,390.6	231,422.0	231,514.4	230,617.0	230,709.4
Local Assistance	0.0	1,753.5	1,753.5	1,753.5	422.4	422.4
Aids to Ind. & Org.	118,026.8	125,392.6	147,421.1	121,454.6	114,678.3	113,689.6

(1) Includes Program Revenue-Federal and Segregated Revenue-Federal

(2) Includes Program Revenue-Service and Program Revenue-Other

(3) Includes Segregated Revenue-Service, Segregated Revenue-Other and Segregated Revenue-Local

Workforce Development

**Table 2
Department Position Summary by Funding Source (in FTE positions) (4)**

	ADJUSTED BASE FY19	AGENCY REQUEST FY20	FY21	GOVERNOR'S RECOMMENDATION FY20	FY21
GENERAL PURPOSE REVENUE	150.82	153.82	153.82	150.82	150.82
State Operations	82.65	85.65	85.65	82.65	82.65
Aids to Ind. & Org.	68.17	68.17	68.17	68.17	68.17
FEDERAL REVENUE (1)	1,167.18	1,164.18	1,164.18	1,164.18	1,164.18
State Operations	874.74	874.74	874.74	874.74	874.74
Aids to Ind. & Org.	292.44	289.44	289.44	289.44	289.44
PROGRAM REVENUE (2)	218.25	219.25	219.25	218.25	218.25
State Operations	218.25	218.25	218.25	218.25	218.25
Aids to Ind. & Org.	0.00	1.00	1.00	0.00	0.00
SEGREGATED REVENUE (3)	72.80	72.80	72.80	109.30	109.30
TOTALS - ANNUAL	1,609.05	1,610.05	1,610.05	1,642.55	1,642.55
State Operations	1,248.44	1,251.44	1,251.44	1,284.94	1,284.94
Aids to Ind. & Org.	360.61	358.61	358.61	357.61	357.61

(1) Includes Program Revenue-Federal and Segregated Revenue-Federal

(2) Includes Program Revenue-Service and Program Revenue-Other

(3) Includes Segregated Revenue-Service, Segregated Revenue-Other and Segregated Revenue-Local

(4) All positions are State Operations unless otherwise specified

Workforce Development

Table 3
Department Budget Summary by Program (in thousands of dollars)

	ACTUAL FY18	ADJUSTED BASE FY19	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
			FY20	FY21	FY20	FY21
1. Workforce development	\$215,361.2	\$262,023.3	\$290,505.3	\$265,596.2	\$255,696.8	\$255,787.7
5. Vocational rehabilitation services	\$98,729.3	\$93,513.4	\$90,091.3	\$89,126.3	\$90,020.9	\$89,033.7
TOTALS	\$314,090.5	\$355,536.7	\$380,596.6	\$354,722.5	\$345,717.7	\$344,821.4

Table 4
Department Position Summary by Program (in FTE positions) (4)

	ADJUSTED BASE FY19	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
		FY20	FY21	FY20	FY21
1. Workforce development	1,280.04	1,280.04	1,280.04	1,313.54	1,313.54
5. Vocational rehabilitation services	329.01	330.01	330.01	329.01	329.01
TOTALS	1,609.05	1,610.05	1,610.05	1,642.55	1,642.55

(4) All positions are State Operations unless otherwise specified

Workforce Development

1. Minimum Wage

The Governor recommends increasing the statutory minimum wage for general workers by one dollar beginning January 1, 2020, then 75 cents each year beginning January 1, 2021, for three years, and finally by the change in the consumer price index for each year thereafter. For other classifications of workers, the Governor recommends increasing minimum wages by a percentage commensurate with the increases for general workers. In addition, the Governor recommends creating a task force to study options for achieving a statewide minimum wage of \$15 per hour, which will consist of five gubernatorial appointees, and one appointee of each of the Senate majority leader, Senate minority leader, speaker of the Assembly and Assembly minority leader.

2. Prevailing Wage

The Governor recommends requiring employers conducting projects of public works, both state and local, to pay workers the hourly wage and benefits paid to the majority of workers in the project's area.

3. Right to Work

The Governor recommends repealing the prohibition on contracts between labor unions and employers that specify the employer may only hire unionized workers. The Governor also recommends repealing the prohibitions on the following as a condition of obtaining or continuing employment: (a) refraining or resigning from membership or affiliation with a labor organization; (b) becoming or remaining a member of a labor organization; (c) paying dues or other amounts to a labor organization; or (d) paying a third party amounts in place of dues to a labor organization.

4. Family and Medical Leave

The Governor recommends expanding current law, which provides 12 weeks of family and medical leave, as follows: (a) applying the law to employers with at least 25, instead of 50, employees; (b) permitting leave to be taken to care for a grandparent, grandchild or sibling with a serious health condition; and (c) expanding the definition of "qualifying exigency" to include deployment of a spouse or child, and an unforeseen or unexpected closure of a school or child care facility.

5. Local Employment Regulations

The Governor recommends repealing the prohibitions on local governments enacting ordinances regarding: (a) minimum family and medical leave requirements; (b) wage claims and collections; (c) employee hours and overtime (including scheduling of work hours or shifts); (d) required employment benefits; and (e) solicitation of a prospective employee's salary history.

6. Project Labor Agreements

The Governor recommends repealing the provisions of 2017 Wisconsin Act 3, which prohibited agreements (such as collective bargaining agreements, project labor agreements or community workforce agreements) between governments and labor organizations on public works projects.

Workforce Development

7. Job Applicant Conviction History

The Governor recommends establishing that requesting an applicant for employment to supply information regarding his or her conviction record, or otherwise considering the record, prior to selection for an interview constitutes employment discrimination.

8. Drug Testing Unemployment Insurance Claimants

Source of Funds	Agency Request				Governor's Recommendations			
	FY20		FY21		FY20		FY21	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	-250,000	0.00	-250,000	0.00
TOTAL	0	0.00	0	0.00	-250,000	0.00	-250,000	0.00

The Governor recommends repealing the drug testing programs under which unemployment insurance claimants may be tested to establish benefit eligibility. The Governor also recommends repealing the related appropriation for testing and treatment costs for these programs.

9. Worker's Compensation Appellate Functions

Source of Funds	Agency Request				Governor's Recommendations			
	FY20		FY21		FY20		FY21	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
SEG-O	0	0.00	0	0.00	0	36.50	0	36.50
TOTAL	0	0.00	0	0.00	0	36.50	0	36.50

The Governor recommends transferring worker's compensation first level adjudicative functions from the Department of Administration to the department. See Department of Administration, Item #7.

Workforce Development

10. High School Student College Credit

Source of Funds	Agency Request				Governor's Recommendations			
	FY20		FY21		FY20		FY21	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	-1,753,500	0.00	-1,753,500	0.00
TOTAL	0	0.00	0	0.00	-1,753,500	0.00	-1,753,500	0.00

The Governor recommends eliminating the Early College Credit Program and related funding, and instead requiring the University of Wisconsin System and Wisconsin Technical College System institutions to offer transcribed credit to high school students at no charge. See Department of Public Instruction, Item #42; Technical College System Board, Item #4; and University of Wisconsin System, Item #9.

11. Transfers to the Department of Public Instruction

Source of Funds	Agency Request				Governor's Recommendations			
	FY20		FY21		FY20		FY21	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	-4,500,000	0.00	-4,500,000	0.00
TOTAL	0	0.00	0	0.00	-4,500,000	0.00	-4,500,000	0.00

The Governor recommends transferring the following appropriations to the Department of Public Instruction: (a) career and technical education incentive grants; (b) career and technical education completion awards; (c) grants for teacher training and recruitment; (d) teacher development grants; and (e) technical equipment grants. See Department of Public Instruction, Items #37, #38, #39 and #40.

12. Worker Training

The Governor recommends that the department provide, from the Wisconsin Fast Forward appropriation, \$1,000,000 annually for grants to a shipbuilding employer to train new and current employees.

Workforce Development

13. Project SEARCH

Source of Funds	Agency Request				Governor's Recommendations			
	FY20		FY21		FY20		FY21	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-S	70,400	1.00	92,600	1.00	0	0.00	0	0.00
TOTAL	70,400	1.00	92,600	1.00	0	0.00	0	0.00

The Governor recommends providing \$250,000 annually from Wisconsin Fast Forward to continue to expand Project SEARCH, which provides work experience to high school students with special needs.

14. Unemployment Insurance Changes

The Governor recommends the following changes to unemployment insurance law: (a) increase the maximum weekly benefit rate from \$370 to \$406; (b) eliminate the one-week waiting period to receive benefits; (c) index the maximum weekly earnings wage threshold for benefit eligibility based on the change in the consumer price index; (d) expand eligibility upon voluntary termination to include cases where a spouse has been reassigned by his or her employer; and (e) eliminate the concept of substantial fault as disqualifying.

15. Unemployment Insurance Work Search Requirements

The Governor recommends repealing current law around suitable work and replacing it with a requirement that the department define "suitable work" in administrative rule using different levels of suitable work based on the number of weeks a claimant has been receiving unemployment insurance benefits. The Governor also recommends repealing current law regarding work search waivers and instead requiring the department to establish waivers in administrative rule.

16. Labor and Industry Review Commission

The Governor recommends attaching the Labor and Industry Review Commission to the department, rather than the Department of Administration, for administrative purposes.

17. Independent Living Centers Transfer

The Governor recommends ensuring that the department transfers to the Department of Health Services only the funding actually received from the federal government for independent living centers, up to \$600,000 annually.

18. 2017 Wisconsin Act 370 Fiscal Changes

The Governor recommends creating eight new appropriations to reflect changes enacted in 2017 Wisconsin Act 370. Funding levels are set as specified by the act and are offset by decreases in the Wisconsin Fast Forward appropriation, also required by the act.

Workforce Development

19. Federal Programs Reestimates

Source of Funds	Agency Request				Governor's Recommendations			
	FY20		FY21		FY20		FY21	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-F	-6,487,900	0.00	-7,530,800	0.00	-6,487,900	0.00	-7,530,800	0.00
TOTAL	-6,487,900	0.00	-7,530,800	0.00	-6,487,900	0.00	-7,530,800	0.00

The Governor recommends adjusting the department's expenditure authority based on reestimates of federal program revenue.

20. Standard Budget Adjustments

Source of Funds	Agency Request				Governor's Recommendations			
	FY20		FY21		FY20		FY21	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	527,000	0.00	546,800	0.00	527,000	0.00	546,800	0.00
PR-F	1,709,000	-3.00	1,763,200	-3.00	1,709,000	-3.00	1,763,200	-3.00
PR-O	95,500	0.00	102,500	0.00	95,500	0.00	102,500	0.00
PR-S	457,600	0.00	511,800	0.00	457,600	0.00	511,800	0.00
SEG-O	633,300	0.00	644,700	0.00	633,300	0.00	644,700	0.00
TOTAL	3,422,400	-3.00	3,569,000	-3.00	3,422,400	-3.00	3,569,000	-3.00

The Governor recommends adjusting the department's base budget for: (a) turnover reduction (-\$2,451,400 in each year); (b) removal of noncontinuing elements from the base (-\$347,400 and -3.0 FTE positions in FY20 and -\$372,700 and -3.0 FTE positions in FY21); (c) full funding for continuing position salaries and fringe benefits (\$6,200,600 in each year); (d) overtime (\$153,600 in each year); and (e) full funding of lease and directed moves costs (-\$133,000 in FY20 and \$38,900 in FY21).

Workforce Development

ITEMS NOT APPROVED

The following requests are not included in the Governor's budget recommendations for the Department of Workforce Development.

Decision Item	Source of Funds	FY20		FY21	
		Dollars	Positions	Dollars	Positions
21. Work Permits	PR-O	55,000	0.00	55,000	0.00
22. Veteran Outreach Program	GPR	390,000	2.00	390,000	2.00
23. Wisconsin Commute to Careers	GPR	2,500,000	0.00	2,500,000	0.00
24. Wisconsin Fast Forward	GPR	5,000,000	0.00	0	0.00
25. CTE Grants Appropriation	GPR	0	0.00	0	0.00
26. Wisconsin Career Creator	GPR	20,110,000	1.00	110,000	1.00
TOTAL OF ITEMS NOT APPROVED	GPR	28,000,000	3.00	3,000,000	3.00
	PR-O	55,000	0.00	55,000	0.00