

Republicans raise concerns over Evers' workforce, child care proposals during Senate hearing on special session package

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Republicans raised concerns Gov. Tony Evers' workforce development package may just be a Band-Aid that won't fix the long-term problems underlying Wisconsin's workforce, child care and health care issues.

Republicans in a Senate Economic Development and Technical Colleges Committee public hearing Wednesday on Evers' special session bill questioned if the gov's move sets up various workforce sectors to be reliant on taxpayer dollars.

Chair Dan Feyen, R-Fond du Lac, asked Wisconsin Early Childhood Education's Paula Drew if her group has considered any "long-term solutions, other than just keep throwing more state money at it every two years."

Drew said the issues facing the child care sector have existed long before the pandemic, arguing Wisconsin loses out on \$1.9 billion in economic productivity because of the crisis. And with child care centers already raising fees, there aren't many options, she said.

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"I mean, our organization has been operating for 50 years," she said. "We support the early childhood workforce. If there was a different solution, we would have come up with it."

Evers' plan includes a provision to fully fund the Child Care Counts program and provide money for various other early childhood education efforts.

Sen. Kelda Roys, D-Madison, testified as a policymaker and parent that child care has helped her and her husband further their careers while being more engaged parents. And while she suggested there may be a more sustainable approach to solving the issues, Evers' proposal is what Wisconsin needs right now.

"This is a drop in the bucket," she said. "This is a small amount of money, this couple-hundred-million dollars in the next biennium, but it is necessary to slow the bleeding until we can finally figure out how to have a more sustainable investment."

She said almost 10 years ago infant care for her daughter cost roughly \$16,000 per year. Now, that number has grown to about \$24,000, she added.

Sen. Dan Knodl, R-Germantown, argued parents could just stay home if they can't afford child care, arguing it's important for moms and dads to spend time with their kids.

But Roys said our current economy could not sustain itself if half of all parents quit their jobs to stay home, nor would many of them enjoy it. And setting up the system to work like that would mean parents who already struggle to make ends meet would still work full time, they'd just have to spend another full-time job's worth of hours caring for their kids, she said.

"We have no paid family leave in this country," she noted. "It is very, very easy for parents who are exhausted to make a mistake. You know, you accidentally fall asleep, and the baby walks outside."

Knodl argued that's part of being a parent, and it's hard work. He asked Roys how he should address his 93-year-old grandmother who raised eight children.

"But that's part of being an adult and a parent," he said. "And the choices we make to get there. And then, so, tell me what I can say to my mother; that she was of no value, or raising those kids was wrong?"

Roys argued the times and economy were different back then.

"She basically ran a daycare center in her home," Roys said. "She raised eight kids, and she had the ability to do that, because whatever her circumstances were enabled her to raise those kids."

The gov's plan also includes a provision to establish a paid family leave program.

Feyen asked Department of Workforce Development Secretary Amy Pechacek if now is the right time to increase taxes on employers and employees considering inflation on gas, groceries, utilities and other common purchases.

“You spoke of the half percent from the employer and a half percent from the employee,” he said, referring to contributions to the program. “Do you think it’s wise to take a percent cut when inflation is basically at an all-time high right now?”

Republicans have argued part of the solution to the workforce shortage should be cutting taxes to make the state more competitive with neighboring states.

Pechacek said Feyen’s concerns are valid, but noted Wisconsin’s wages have grown 12 percent on average and that the 14 other states that have implemented paid family leave are some of the most competitive economies in the country.

“California’s economy is one of the largest in the world,” she said. “And they have found that this increases employee retention, reduces food insecurity; it has really been a benefit. It increases financial performance for those companies.”

Pechacek also said after the program’s initial setup costs, the extra tax will fully fund the program in a similar manner to how Wisconsin’s unemployment insurance program funds itself.

Department of Health Services Deputy Secretary Deb Standridge said the roughly \$160 million Evers wants to invest in health care would help spur innovation, train more workers who will stay in Wisconsin and bolster services.

Knodl said he needs the health care industry to commit to more price transparency in return for the extra funds.

“Would I be out of line and demanding of them to hold up their end of the deal with that? People have to make decisions; these are the most costly decisions they may ever face,” he said.

Standridge noted there is already federal law requiring providers be transparent with their services.

“I feel that Wisconsin does a very good job at price transparency in the hospital,” she said. “And, speaking from personal experience of running on the front line, we have never received complaints from federal regulatory agencies or anyone in

terms of the transparencies.”

She added hospitals would likely be happy to provide more transparency “if there’s a perception that they are not.”