

# Work and Economic Support E-Newsletter

A Monthly Summary of Developments Impacting Wisconsin's Workforce and Employers

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Feel free to forward this e-newsletter to other interested parties, and encourage them to sign up for this and/or other WCCF mailing lists at <http://capwiz.com/wccf/mlm/signup/here>. You can contact the author, John Keckhaver, directly at [jkeckhaver@wccf.org](mailto:jkeckhaver@wccf.org) and ext. 305.

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In this issue:

1. Technical College Students Burdened by Rising Unmet Financial Need Levels
2. Housing Collapse Continues – 22,000 Wisconsin Kids Impacted
3. WCCF Summary of 2007-09 Budget Repair Bill
4. Workforce Items Passed During 2007-08 Legislative Session
5. Employment Projections Available for Wisconsin – High Job Availability Predicted
6. Ohio Joins List of States Regulating Payday Lending
7. Recent News
8. Other Reading and Resources

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## 1. Technical College Students Burdened by Rising Unmet Financial Need Levels

In an upcoming issue brief, WCCF staff point out the rising unmet financial needs of technical college students. In *Aiding Success*, you can read of the growing importance of the occupational programs offered at the states technical colleges, learn more about recent financial aid trends, and read of alternative financial aid funding approaches that take into account the growing importance of “mid-level” skills and credentials to the state’s economy. Look for *Aiding Success* at the Council’s Work and Economic Support web page on June 18<sup>th</sup>.

## 2. Housing Collapse Continues – 22,000 Wisconsin Kids Impacted

Housing foreclosures continue at a staggering pace. Foreclosures rose 40 percent in Wisconsin in April, with little slowdown in sight. The Badger state continues to rise in the national ranks when it comes to foreclosures as well. Wisconsin ranked 32<sup>nd</sup> in terms of foreclosures per homes last September, 27<sup>th</sup> in March of 2008 and 25<sup>th</sup> in April.

A recent report by First Focus and the Brookings Institution examines the impact on kids of being uprooted from their homes. In *The Impact of the Mortgage Crisis on Children and Their Education*, authors Phillip Lovell and Julia Isaacs estimate that in Wisconsin alone, 22,000 children will be impacted by having to move from home due to foreclosure. To view the report,

click here,

[http://www.brookings.edu/~media/Files/rc/papers/2008/04\\_mortgage\\_crisis\\_isaacs/04\\_mortgage\\_crisis\\_isaacs.pdf](http://www.brookings.edu/~media/Files/rc/papers/2008/04_mortgage_crisis_isaacs/04_mortgage_crisis_isaacs.pdf)

The importance of stable housing on children has been well-known for some time. For research on this issue out of Harvard University, read the recent WCCF article on homeownership, The Tarnished American Dream? A Prescription for Sustainable Homeownership in Wisconsin, available here, <http://www.wccf.org/wkj/408/story5.html>

### 3. WCCF Summary of 2007-09 Budget Repair Bill

For WCCF Research Director Jon Peacock's review of the recently passed budget repair bill, click here, [http://www.wccf.org/pdf/budget\\_repairbill\\_direct\\_051308.pdf](http://www.wccf.org/pdf/budget_repairbill_direct_051308.pdf) This summary includes a detailed comparison of the different proposals put forward by the Governor, each legislative house, the conference committee, and then the final version with the Governor's vetoes included.

### 4. Workforce Items Passed During 2007-08 Legislative Session

With the budget repair bill wrapped up and no more bill signings due, now is a good time to take a quick look back at the work and economic support-related policies adopted this past session. As during most years with a budget being decided, that piece of legislation received most legislators' attention for a number of months in 2007. There were a few economic, workforce and consumer-related items which wound their way through the process, however, ending up as new law.

Act 76 (Assembly Bill 502) <http://www.legis.state.wi.us/2007/data/acts/07Act76.pdf>

Limits the occasions on which a consumer reporting agency can pass along consumer information to a third party for the purposes of soliciting that consumer. Includes forfeitures for not following the regulation and directs the Department of Agriculture, Trade, and Consumer Protection to enforce its provisions.

Act 125 (Assembly Bill 741) <http://www.legis.state.wi.us/2007/data/acts/07Act125.pdf>

Consolidates a number of inactive economic development programs, streamlines others, and requires the Department of Commerce and other state agencies engaging in economic development activities to report on those investments and their success to the legislature annually. Also requires Commerce to ensure that the information is available on the web.

Act 176 (Senate Bill 69) <http://www.legis.state.wi.us/2007/data/acts/07Act176.pdf>

Prohibits tax preparers from disclosing information obtained in the course of preparing a client's tax return, unless the tax preparer or entity discloses the parties to whom the tax preparer or entity intends to disclose the information and the client consents in writing.

Act 183 (Assembly Bill 789) <http://www.legis.state.wi.us/2007/data/acts/07Act183.pdf>

Allows the Department of Commerce to transfer unused airport development zone tax credits to the technology zone tax credit program which had run out of credits.

Act 223 (Assembly Bill 83) <http://www.legis.state.wi.us/2007/data/acts/07Act223.pdf>

Creates an agricultural education and workforce development council.

Keep in mind that you can view a comprehensive summary of the 2007-09 state budget [http://www.wccf.org/pdf/budget20072009\\_diffversions\\_103107.pdf](http://www.wccf.org/pdf/budget20072009_diffversions_103107.pdf) The budget is the place, of course, where significant funding and even programmatic decisions are made. In the WCCF

budget matrix you will find many specifics regarding TANF and W-2, the EITC, and other work and work support-related programs as they were dealt with in the budget.

#### 5. Employment Projections Available for Wisconsin – High Job Availability Predicted

Significant numbers of jobs are expected to be available in Wisconsin in the coming years according to the most recent projections from the Department of Workforce Development. For a complete listing, including short and long term state projections as well as projections by region, click here, [http://dwd.wisconsin.gov/oea/employment\\_projections/employment\\_projections.htm](http://dwd.wisconsin.gov/oea/employment_projections/employment_projections.htm) Data is also available arranged by industry, occupation, and education and training level required.

For the Governor's response to the job projections, click here, <http://www.thewheelerreport.com/releases/May08/may29/0529govjobs.pdf>

And for a Capital Times story covering the release, click here, <http://www.madison.com/tct/news/288786>

#### 6. Ohio Joins List of States Regulating Payday Lending

A total of 15 states (along with the District of Columbia) now regulate payday lending with a two-digit interest rate cap on payday loans. As reported in a recent Center for Responsible Lending study, capping the interest rate is the only effective way of decreasing reliance on usurious payday loans.

Read a description of the Ohio development on the Center for Responsible Lending's website, <http://www.responsiblelending.org/press/releases/ohio-stamps-out-predatory-payday-lending.html> And you can access their report, Springing the Debt Trap: Rate Caps are Only Proven Payday Lending Reform, here, <http://www.responsiblelending.org/pdfs/springing-the-debt-trap.pdf>

#### 7. Recent News – A brief selection of news articles from the past month covering education and training, work supports, and economic security.

Shoppers getting taste of higher food prices.  
Wisconsin State Journal – May 16<sup>th</sup>  
<http://www.madison.com/wsj/home/local//286609>

Need for food stamps rising: weak economy, changes to state program increase enrollment nearly 10 percent.  
Milwaukee Journal Sentinel – May 25<sup>th</sup>  
<http://www.jsonline.com/story/index.aspx?id=754872>

As gas nears \$4 a gallon and food costs soar, with no end in sight, Americans wonder: Any stop to runaway oil prices?  
Milwaukee Journal Sentinel – May 21<sup>st</sup>  
<http://www.jsonline.com/story/index.aspx?id=753778>

Job market is hot for graduate who have the right degrees.  
Milwaukee Journal Sentinel – May 27<sup>th</sup>  
<http://www.jsonline.com/story/index.aspx?id=755737>

## 8. Other Reading and Resources

Chicago Fed Midwest Manufacturing Index shows continued slowdown in key sector of the Midwest economy.

[http://www.chicagofed.org/economic\\_research\\_and\\_data/files/cfmml\\_april2008.pdf](http://www.chicagofed.org/economic_research_and_data/files/cfmml_april2008.pdf)

Latest issue of Profitwise shows connection between insurance, wealth building/preservation, and access to financial services for low and moderate income consumers.

[http://www.chicagofed.org/community\\_development/files/pnw\\_may08\\_spd\\_all.pdf](http://www.chicagofed.org/community_development/files/pnw_may08_spd_all.pdf)

New CLASP publication, A Collective Responsibility, A Collective Work, offers a comprehensive plan for improved opportunities for youth in distressed communities.

<http://clasp.org/publications/collectiveresponsibility.pdf>

New GAO report explores community college and job center efforts at collaboration.

<http://www.gao.gov/highlights/d08547high.pdf>