State of Wisconsin
2013 - 2014 LEGISLATURE

LRB-0063/3
PJK:jld:jm

DOA:.....Major, BB0193 – Creating the Trial Employment Match Program and eliminating Trial Jobs, Real Work Real Pay, Subsidized Private Sector Employment, and Workforce Attachment and Advancement

FOR 2013-2015 BUDGET — NOT READY FOR INTRODUCTION

AN ACT ...; **relating to:** miscellaneous changes to Wisconsin Works.

Analysis by the Legislative Reference Bureau

HEALTH AND HUMAN SERVICES

WISCONSIN WORKS

The Wisconsin Works (W–2) program under current law provides work experience and monetary benefits for low–income custodial parents who are at least 18 years old; monetary benefits for certain unmarried pregnant women and low–income custodial parents of infants eight weeks of age or less; and job search assistance to noncustodial parents who are required to pay child support, to minor custodial parents, and to certain pregnant women who are not eligible for monetary benefits under the program. W–2 is administered, generally, by W–2 agencies under contracts with DCF. W–2 provides work experience to a participant through placement in one of a number of different employment positions, depending on the participant's skills, training, and experience. For one of the employment positions, called trial jobs, a W–2 agency pays a wage subsidy to a private employer that employs a W–2 participant and that agrees to retain the participant as a permanent employee when the subsidy ends. This bill terminates the trial job employment position and replaces it with a trial employment match program (TEMP) that has the

same features as the trial job employment position, except for a few changes to current law.

Under current law, a W–2 agency pays an employer a wage subsidy of not more than $300 per month for full–time employment of a participant in a trial job. Under the bill, in TEMP the W–2 agency and employer will negotiate the wage subsidy, which will be paid for every hour that the participant actually works, up to 40 hours per week, and which may not be less than the applicable minimum wage. In addition, the W–2 agency may, as negotiated between the W–2 agency and the employer, reimburse the employer for all or a portion of other costs associated with employment of the participant, such as federal social security taxes and worker's compensation insurance premiums. Currently, a participant may work in a trial job for up to three months, with a possible three–month extension. The bill changes the maximum time in a TEMP job to up to six months, with a possible three–month extension. Currently, an employer that employs a participant in a trial job must agree to make a good faith effort to retain the participant as a permanent unsubsidized employee after the wage subsidy under the trial job ends. For TEMP the bill adds that, if the employer does not retain the participant, the employer must serve as an employment reference for the participant or must provide the W–2 agency with a written performance evaluation with recommendations for improvement.

In addition to the replacement of trial jobs with TEMP, the bill repeals the real work, real pay employment position in W–2, which was a pilot project that ended on December 31, 2009. The bill eliminates the subsidized private sector employment program, under which participants were to be paid minimum wage for work in certain projects. The program's operation was dependent on certain conditions and it was never implemented. The bill also eliminates the workforce attachment and advancement program, which provided funding to W–2 agencies and local workforce development boards for providing certain job–related services to individuals eligible for federal Temporary Assistance for Needy Families (TANF) block grant program funds. The workforce attachment and advancement program has not received TANF funding or operated since 2003.

For further information see the ***state*** fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 49.141 (1) (n) of the statutes is amended to read:

49.141 **(1)** (n) "Trial employment match program job" means a work component of Wisconsin ~~works~~ Works administered under s. 49.147 (3).

SECTION 2. 49.143 (2) (a) 2. of the statutes is amended to read:

49.143 **(2)** (a) 2. Identify and encourage employers to provide permanent jobs for persons who are eligible for trial employment match program jobs or community service jobs.

SECTION 3. 49.143 (2) (a) 3. of the statutes is amended to read:

49.143 **(2)** (a) 3. Create, and encourage others to create, subsidized jobs for persons who are eligible for trial employment match program jobs or community service jobs.

SECTION 4. 49.143 (2) (a) 4. of the statutes is amended to read:

49.143 **(2)** (a) 4. Create, and encourage others to create, on–the–job training sites for persons who are eligible for trial employment match program jobs or community service jobs.

SECTION 5. 49.143 (2) (a) 5. of the statutes is amended to read:

49.143 **(2)** (a) 5. Foster and guide the entrepreneurial efforts of participants who are eligible for trial employment match program jobs or community service jobs.

SECTION 6. 49.143 (2) (a) 6. of the statutes is amended to read:

49.143 **(2)** (a) 6. Provide mentors, both from its membership and from recruitment of members of the community, to provide job–related guidance, including assistance in resolving job–related issues and the provision of job leads or references, to persons who are eligible for trial employment match program jobs or community service jobs.

SECTION 7. 49.143 (2r) of the statutes, as affected by 2011 Wisconsin Act 32, is amended to read:

49.143 **(2r)** JOB PROGRAMS. A Wisconsin Works agency shall collaborate with the local workforce development board to connect individuals seeking employment

with employment opportunities, including the trial ~~job~~ employment match program under s. 49.147 (3).

SECTION 8. 49.147 (1m) (b) of the statutes is amended to read:

49.147 **(1m)** (b) If the Wisconsin Works agency determines that the appropriate placement for an individual is in unsubsidized employment or a trial employment match program job and that the individual needs and wishes to pursue basic education, including a course of study meeting the standards established under s. 115.29 (4) (a) for the granting of a declaration of equivalency of high school graduation, the Wisconsin Works agency shall pay for the basic education services identified in the employability plan developed for the individual.

SECTION 9. 49.147 (2) (am) 2. of the statutes is amended to read:

49.147 **(2)** (am) 2. A Wisconsin Works agency shall, every 30 days, review the provision of case management services to an individual under this paragraph, if the individual is not successful in obtaining unsubsidized employment after legitimate efforts to secure employment, to determine whether the individual should be placed in a trial employment match program job, community service job, or transitional placement. The department shall promulgate rules that specify the criteria for the review process under this subdivision.

SECTION 10. 49.147 (3) (title) of the statutes is amended to read:

49.147 **(3)** (title) TRIAL ~~JOBS~~ EMPLOYMENT MATCH PROGRAM.

SECTION 11. 49.147 (3) (a) of the statutes is amended to read:

49.147 **(3)** (a) *Administration.* A Wisconsin Works agency shall administer a trial ~~job~~ employment match program as part of its administration of the Wisconsin Works program to improve the employability of individuals who ~~are not~~ otherwise are not able to obtain unsubsidized employment, as determined by the Wisconsin

Works agency, by providing work experience and training to assist them to move promptly into unsubsidized employment. In determining an appropriate placement for a participant, a Wisconsin Works agency shall give priority to placement under this subsection over placements under subs. (4) and (5).

(ac) *Employer subsidies and reimbursements.* The Wisconsin Works agency shall pay ~~a wage subsidy~~ to an employer that employs a participant under this subsection ~~and that agrees to make a good faith effort to retain the participant as a permanent unsubsidized employee after the wage subsidy is terminated. The wage subsidy may not exceed $300 per month for full–time employment of a participant. For less than full–time employment of a participant during a month, the wage subsidy may not exceed a dollar amount determined by multiplying $300 by a fraction, the numerator of which is the number of hours worked by the participant in the month and the denominator of which is the number of hours that would be required for full–time employment in that month.~~ a wage subsidy in an amount that is negotiated between the Wisconsin Works agency and the employer but that is not less than the state or federal minimum wage that applies to the participant. The wage subsidy shall be paid for each hour that the participant actually works, up to a maximum of 40 hours per week. In addition to paying the wage subsidy, the Wisconsin Works agency may, as negotiated between the Wisconsin Works agency and the employer, reimburse the employer for all or a portion of other costs that are attributable to the employment of the participant, including any of the following:

SECTION 12. 49.147 (3) (ac) 1. of the statutes is created to read:

49.147 **(3)** (ac) 1. Federal social security taxes. → and Medicare

SECTION 13. 49.147 (3) (ac) 2. of the statutes is created to read:

49.147 **(3)** (ac) 2. State and federal unemployment contributions or taxes.

SECTION 14. 49.147 (3) (ac) 3. of the statutes is created to read:

49.147 **(3)** (ac) 3. Worker's compensation insurance premiums.

SECTION 15. 49.147 (3) (am) of the statutes is amended to read:

49.147 **(3)** (am) *Education or training activities.* A trial employment match program job includes education and training activities, as prescribed by the employer as an integral part of work performed in ~~the~~ trial ~~job~~ employment match program employment.

SECTION 16. 49.147 (3) (c) of the statutes is amended to read:

49.147 **(3)** (c) *Time–limited participation.* A participant under this subsection may participate in a trial employment match program job for a maximum of ~~3~~ 6 months, with an opportunity for a 3–month extension under circumstances determined by the Wisconsin Works agency. A participant may participate in more than one trial employment match program job, but may not exceed a total of 24 months of participation under this subsection. The months need not be consecutive. The department or, with the approval of the department, the Wisconsin Works agency may grant an extension of the 24–month limit on a case–by–case basis if the participant has made all appropriate efforts to find unsubsidized employment and has been unable to find unsubsidized employment because local labor market conditions preclude a reasonable job opportunity for that participant, as determined by a Wisconsin Works agency and approved by the department.

SECTION 17. 49.147 (3) (d) of the statutes is created to read:

49.147 **(3)** (d) *Employer effort to retain, refer, or evaluate participant.* An employer that employs a participant under this subsection and receives a wage subsidy shall agree to make a good faith effort to retain the participant as a permanent unsubsidized employee after the wage subsidy ends, although nothing in

this subsection requires an employer to retain a participant as a permanent unsubsidized employee after the wage subsidy ends. An employer shall also agree that, if the employer does not retain a participant as a permanent unsubsidized employee, the employer will serve as an employment reference for the participant or provide to the Wisconsin Works agency a written performance evaluation of the participant, including recommendations for improvements.

SECTION 18. 49.147 (3m) of the statutes is repealed.

SECTION 19. 49.147 (4) (a) of the statutes is amended to read:

49.147 **(4)** (a) *Administration.* A Wisconsin ~~works~~ Works agency shall administer a community service job program as part of its administration of Wisconsin ~~works~~ Works to improve the employability of an individual who is not otherwise able to obtain employment, as determined by the Wisconsin ~~works~~ Works agency, by providing work experience and training, if necessary, to assist the individual to move promptly into unsubsidized public or private employment or a trial employment match program job. In determining an appropriate placement for a participant, a Wisconsin ~~works~~ Works agency shall give placement under this subsection priority over placements under sub. (5). Community service jobs shall be limited to projects that the department determines would serve a useful public purpose or projects the cost of which is partially or wholly offset by revenue generated from such projects. After each 6 months of an individual's participation under this subsection and at the conclusion of each assignment under this subsection, a Wisconsin ~~works~~ Works agency shall reassess the individual's employability.

SECTION 20. 49.147 (4) (b) of the statutes is amended to read:

49.147 **(4)** (b) *Time–limited participation.* An individual may participate in a community service job for a maximum of 6 months, with an opportunity for a

3–month extension under circumstances approved by the department. An individual may participate in more than one community service job, but may not exceed a total of 24 months of participation under this subsection. The months need not be consecutive. The department or, with the approval of the department, the Wisconsin Works agency may grant an extension to the 24–month limit on a case–by–case basis if the Wisconsin Works agency determines that the individual has made all appropriate efforts to find unsubsidized employment and has been unable to find unsubsidized employment because local labor market conditions preclude a reasonable employment opportunity in unsubsidized employment for that participant, as determined by a Wisconsin Works agency and approved by the department, and if the Wisconsin Works agency determines, and the department agrees, that no trial employment match program job opportunities are available in the specified local labor market.

SECTION 21. 49.147 (4m) of the statutes is repealed.

SECTION 22. 49.147 (5) (a) 3. of the statutes is amended to read:

49.147 **(5)** (a) 3. The Wisconsin ~~works~~ Works agency determines that the individual is incapable of performing a trial employment match program job or community service job.

SECTION 23. 49.148 (1) (a) of the statutes is amended to read:

49.148 **(1)** (a) *Trial employment match program jobs.* For a participant in a trial employment match program job, the amount established in the contract between the Wisconsin ~~works~~ Works agency and the trial employment match program job employer, but not less than minimum wage for every hour actually worked in the trial employment match program job, not to exceed 40 hours per week paid by the employer. Hours spent participating in education and training activities under s.

49.147 (3) (am) shall be included in determining the number of hours actually worked.

SECTION 24. 49.148 (1) (d) of the statutes is repealed.

SECTION 25. 49.161 (1) (title) of the statutes is amended to read:

49.161 **(1)** (title) TRIAL EMPLOYMENT MATCH PROGRAM JOBS OVERPAYMENTS.

SECTION 26. 49.173 of the statutes is repealed.

SECTION 27. 49.26 (1) (g) (intro.) of the statutes is amended to read:

49.26 **(1)** (g) (intro.) An individual who is a dependent child in a Wisconsin Works group that includes a participant under s. 49.147 (3), ~~(3m),~~ (4), or (5) or who is a recipient of aid under s. 49.19 is subject to the school attendance requirement under par. (ge) if all of the following apply:

SECTION 28. 49.26 (1) (h) 1s. b. of the statutes is amended to read:

49.26 **(1)** (h) 1s. b. An individual who is a dependent child in a Wisconsin Works group that includes a participant under s. 49.147 (3), ~~(3m),~~ (4), or (5) and who fails to meet the school attendance requirement under par. (ge) is subject to a monthly sanction.

SECTION 29. 49.36 (2) of the statutes is amended to read:

49.36 **(2)** The department may contract with any county, tribal governing body, or Wisconsin Works agency to administer a work experience and job training program for parents who are not custodial parents and who fail to pay child support or to meet their children's needs for support as a result of unemployment or underemployment. The program may provide the kinds of work experience and job training services available from the program under s. 49.193, 1997 stats., or s. 49.147 (3), ~~(3m),~~ or (4). The program may also include job search and job orientation

activities. The department shall fund the program from the appropriations under s. 20.437 (2) (dz) and (k).

SECTION 30. 71.07 (2dj) (am) 4h. of the statutes is amended to read:

71.07 **(2dj)** (am) 4h. Modify section 51 (a) of the ~~internal revenue code~~ Internal Revenue Code so that the amount of the credit is ~~25%~~ 25 percent of the qualified first–year wages if the wages are paid to an applicant for a Wisconsin ~~works~~ Works employment position for service either in an unsubsidized position or in a trial job under s. 49.147 (3), 2011 stats., and so that the amount of the credit is ~~20%~~ 20 percent of the qualified first–year wages if the wages are not paid to such an applicant.

SECTION 31. 71.07 (2dx) (a) 5. of the statutes is amended to read:

71.07 **(2dx)** (a) 5. "Member of a targeted group" means a person who resides in an area designated by the federal government as an economic revitalization area, a person who is employed in an unsubsidized job but meets the eligibility requirements under s. 49.145 (2) and (3) for a Wisconsin Works employment position, a person who is employed in a trial job, as defined in s. 49.141 (1) (n), 2011 stats., or in a ~~real work, real pay project position under s. 49.147 (3m)~~ trial employment match program job, as defined in s. 49.141 (1) (n), a person who is eligible for child care assistance under s. 49.155, a person who is a vocational rehabilitation referral, an economically disadvantaged youth, an economically disadvantaged veteran, a supplemental security income recipient, a general assistance recipient, an economically disadvantaged ex–convict, a qualified summer youth employee, as defined in 26 USC 51 (d) (7), a dislocated worker, as defined in 29 USC 2801 (9), or a food stamp recipient, if the person has been certified in the manner under sub. (2dj) (am) 3. by a designated local agency, as defined in sub. (2dj) (am) 2.

SECTION 32. 71.07 (2dx) (b) 2. of the statutes is amended to read:

71.07 **(2dx)** (b) 2. The amount determined by multiplying the amount determined under s. 238.385 (1) (b) or s. 560.785 (1) (b), 2009 stats., by the number of full–time jobs created in a development zone and filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and reimbursements paid under s. 49.147 (3m) (c)~~ for those jobs.

SECTION 33. 71.07 (2dx) (b) 3. of the statutes is amended to read:

71.07 **(2dx)** (b) 3. The amount determined by multiplying the amount determined under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number of full–time jobs created in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and reimbursements paid under s. 49.147 (3m) (c)~~ for those jobs.

SECTION 34. 71.07 (2dx) (b) 4. of the statutes is amended to read:

71.07 **(2dx)** (b) 4. The amount determined by multiplying the amount determined under s. 238.385 (1) (bm) or s. 560.785 (1) (bm), 2009 stats., by the number of full–time jobs retained, as provided in the rules under s. 238.385 or s. 560.785, 2009 stats., excluding jobs for which a credit has been claimed under sub. (2dj), in an enterprise development zone under s. 238.397 or s. 560.797, 2009 stats., and for which significant capital investment was made and by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and reimbursements paid under s. 49.147 (3m) (c)~~ for those jobs.

SECTION 35. 71.07 (2dx) (b) 5. of the statutes is amended to read:

71.07 **(2dx)** (b) 5. The amount determined by multiplying the amount determined under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number of full–time jobs retained, as provided in the rules under s. 238.385 or s. 560.785, 2009 stats., excluding jobs for which a credit has been claimed under sub. (2dj), in

a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and reimbursements paid under s. 49.147 (3m) (c)~~ for those jobs.

SECTION 36. 71.28 (1dj) (am) 4h. of the statutes is amended to read:

71.28 **(1dj)** (am) 4h. Modify section 51 (a) of the ~~internal revenue code~~ Internal Revenue Code so that the amount of the credit is ~~25%~~ 25 percent of the qualified first–year wages if the wages are paid to an applicant for a Wisconsin ~~works~~ Works employment position for service either in an unsubsidized position or in a trial job under s. 49.147 (3), 2011 stats., and so that the amount of the credit is ~~20%~~ 20 percent of the qualified first–year wages if the wages are not paid to such an applicant.

SECTION 37. 71.28 (1dx) (a) 5. of the statutes is amended to read:

71.28 **(1dx)** (a) 5. "Member of a targeted group" means a person who resides in an area designated by the federal government as an economic revitalization area, a person who is employed in an unsubsidized job but meets the eligibility requirements under s. 49.145 (2) and (3) for a Wisconsin Works employment position, a person who is employed in a trial job, as defined in s. 49.141 (1) (n), 2011 stats., or in a ~~real work, real pay project position under s. 49.147 (3m)~~ trial employment match program job, as defined in s. 49.141 (1) (n), a person who is eligible for child care assistance under s. 49.155, a person who is a vocational rehabilitation referral, an economically disadvantaged youth, an economically disadvantaged veteran, a supplemental security income recipient, a general assistance recipient, an economically disadvantaged ex–convict, a qualified summer youth employee, as defined in 26 USC 51 (d) (7), a dislocated worker, as defined in 29 USC 2801 (9), or a food stamp recipient, if the person has been certified in the manner under sub. (1dj) (am) 3. by a designated local agency, as defined in sub. (1dj) (am) 2.

SECTION 38. 71.28 (1dx) (b) 2. of the statutes is amended to read:

71.28 **(1dx)** (b) 2. The amount determined by multiplying the amount determined under s. 238.385 (1) (b) or s. 560.785 (1) (b), 2009 stats., by the number of full–time jobs created in a development zone and filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and reimbursements paid under s. 49.147 (3m) (c)~~ for those jobs.

SECTION 39. 71.28 (1dx) (b) 3. of the statutes is amended to read:

71.28 **(1dx)** (b) 3. The amount determined by multiplying the amount determined under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number of full–time jobs created in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and reimbursements paid under s. 49.147 (3m) (c)~~ for those jobs.

SECTION 40. 71.28 (1dx) (b) 4. of the statutes is amended to read:

71.28 **(1dx)** (b) 4. The amount determined by multiplying the amount determined under s. 238.385 (1) (bm) or s. 560.785 (1) (bm), 2009 stats., by the number of full–time jobs retained, as provided in the rules under s. 238.385 or s. 560.785, 2009 stats., excluding jobs for which a credit has been claimed under sub. (1dj), in an enterprise development zone under s. 238.397 or s. 560.797, 2009 stats., and for which significant capital investment was made and by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and reimbursements paid under s. 49.147 (3m) (c)~~ for those jobs.

SECTION 41. 71.28 (1dx) (b) 5. of the statutes is amended to read:

71.28 **(1dx)** (b) 5. The amount determined by multiplying the amount determined under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number of full–time jobs retained, as provided in the rules under s. 238.385 or s. 560.785,

2009 stats., excluding jobs for which a credit has been claimed under sub. (1dj), in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and reimbursements paid under s. 49.147 (3m) (c)~~ for those jobs.

SECTION 42. 71.47 (1dj) (am) 4h. of the statutes is amended to read:

71.47 **(1dj)** (am) 4h. Modify section 51 (a) of the ~~internal revenue code~~ Internal Revenue Code so that the amount of the credit is ~~25%~~ 25 percent of the qualified first–year wages if the wages are paid to an applicant for a Wisconsin ~~works~~ Works employment position for service either in an unsubsidized position or in a trial job under s. 49.147 (3), 2011 stats., and so that the amount of the credit is ~~20%~~ 20 percent of the qualified first–year wages if the wages are not paid to such an applicant.

SECTION 43. 71.47 (1dx) (a) 5. of the statutes is amended to read:

71.47 **(1dx)** (a) 5. "Member of a targeted group" means a person who resides in an area designated by the federal government as an economic revitalization area, a person who is employed in an unsubsidized job but meets the eligibility requirements under s. 49.145 (2) and (3) for a Wisconsin Works employment position, a person who is employed in a trial job, as defined in s. 49.141 (1) (n), 2011 stats., or in a ~~real work, real pay project position under s. 49.147 (3m)~~ trial employment match program job, as defined in s. 49.141 (1) (n), a person who is eligible for child care assistance under s. 49.155, a person who is a vocational rehabilitation referral, an economically disadvantaged youth, an economically disadvantaged veteran, a supplemental security income recipient, a general assistance recipient, an economically disadvantaged ex–convict, a qualified summer youth employee, as defined in 26 USC 51 (d) (7), a dislocated worker, as defined in 29 USC 2801 (9), or

a food stamp recipient, if the person has been certified in the manner under sub. (1dj) (am) 3. by a designated local agency, as defined in sub. (1dj) (am) 2.

SECTION 44. 71.47 (1dx) (b) 2. of the statutes is amended to read:

71.47 **(1dx)** (b) 2. The amount determined by multiplying the amount determined under s. 238.385 (1) (b) or s. 560.785 (1) (b), 2009 stats., by the number of full–time jobs created in a development zone and filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and reimbursements paid under s. 49.147 (3m) (c)~~ for those jobs.

SECTION 45. 71.47 (1dx) (b) 3. of the statutes is amended to read:

71.47 **(1dx)** (b) 3. The amount determined by multiplying the amount determined under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number of full–time jobs created in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and reimbursements paid under s. 49.147 (3m) (c)~~ for those jobs.

SECTION 46. 71.47 (1dx) (b) 4. of the statutes is amended to read:

71.47 **(1dx)** (b) 4. The amount determined by multiplying the amount determined under s. 238.385 (1) (bm) or s. 560.785 (1) (bm), 2009 stats., by the number of full–time jobs retained, as provided in the rules under s. 238.385 or s. 560.785, 2009 stats., excluding jobs for which a credit has been claimed under sub. (1dj), in an enterprise development zone under s. 238.397 or s. 560.797, 2009 stats., and for which significant capital investment was made and by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and reimbursements paid under s. 49.147 (3m) (c)~~ for those jobs.

SECTION 47. 71.47 (1dx) (b) 5. of the statutes is amended to read:

71.47 **(1dx)** (b) 5. The amount determined by multiplying the amount determined under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number of full–time jobs retained, as provided in the rules under s. 238.385 or s. 560.785, 2009 stats., excluding jobs for which a credit has been claimed under sub. (1dj), in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and reimbursements paid under s. 49.147 (3m) (c)~~ for those jobs.

SECTION 48. 76.636 (1) (e) 3. of the statutes is amended to read:

76.636 **(1)** (e) 3. A person who is employed in a trial job, as defined in s. 49.141 (1) (n), 2011 stats., or in a ~~real work, real pay project position under s. 49.147 (3m)~~ trial employment match program job, as defined in s. 49.141 (1) (n).

SECTION 49. 76.636 (2) (b) of the statutes is amended to read:

76.636 **(2)** (b) The amount determined by multiplying the amount determined under s. 238.385 (1) (b) or s. 560.785 (1) (b), 2009 stats., by the number of full–time jobs created in a development zone and filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and reimbursements paid under s. 49.147 (3m) (c)~~ for those jobs.

SECTION 50. 76.636 (2) (c) of the statutes is amended to read:

76.636 **(2)** (c) The amount determined by multiplying the amount determined under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number of full–time jobs created in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and reimbursements paid under s. 49.147 (3m) (c)~~ for those jobs.

SECTION 51. 76.636 (2) (d) of the statutes is amended to read:

76.636 **(2)** (d) The amount determined by multiplying the amount determined under s. 238.385 (1) (bm) or s. 560.785 (1) (bm), 2009 stats., by the number of full–time jobs retained, as provided in the rules under s. 238.385 or s. 560.785, 2009 stats., excluding jobs for which a credit has been claimed under s. 71.47 (1dj), in an enterprise development zone under s. 238.397 or s. 560.797, 2009 stats., and for which significant capital investment was made and by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and reimbursements paid under s. 49.147 (3m) (c)~~ for those jobs.

SECTION 52. 76.636 (2) (e) of the statutes is amended to read:

76.636 **(2)** (e) The amount determined by multiplying the amount determined under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number of full–time jobs retained, as provided in the rules under s. 238.385 or s. 560.785, 2009 stats., excluding jobs for which a credit has been claimed under s. 71.47 (1dj), in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and reimbursements paid under s. 49.147 (3m) (c)~~ for those jobs.

SECTION 53. 102.07 (17m) of the statutes is amended to read:

102.07 **(17m)** A participant in a trial employment match program job under s. 49.147 (3) is an employee of any employer under this chapter for whom the participant is performing service at the time of the injury.

SECTION 54. 227.01 (13) (im) of the statutes is repealed.

SECTION 55. 238.30 (4m) of the statutes is amended to read:

238.30 **(4m)** "Member of a targeted group" means a person who resides in an area designated by the federal government as an economic revitalization area, a person who is employed in an unsubsidized job but meets the eligibility requirements

under s. 49.145 (2) and (3) for a Wisconsin Works employment position, a person who is employed in a trial job, as defined in s. 49.141 (1) (n), 2011 stats., or in a ~~real work, real pay project position under s. 49.147 (3m)~~ trial employment match program job, as defined in s. 49.141 (1) (n), a person who is eligible for child care assistance under s. 49.155, a person who is a vocational rehabilitation referral, an economically disadvantaged youth, an economically disadvantaged veteran, a supplemental security income recipient, a general assistance recipient, an economically disadvantaged ex–convict, a dislocated worker, as defined in 29 USC 2801 (9), or a food stamp recipient, if the person has been certified in the manner under 26 USC 51 (d) (13) (A) by a designated local agency, as defined in 26 USC 51 (d) (12).

SECTION 9306. Initial applicability; Children and Families.

(1) TRIAL EMPLOYMENT MATCH PROGRAM. The treatment of section 49.147 (3) (a), (ac) 1., 2., and 3., (c), and (d) of the statutes first applies to Wisconsin Works participants who are placed in the trial employment match program on the effective date of this subsection.

SECTION 9406. Effective dates; Children and Families.

(1) CHANGES TO WISCONSIN WORKS PROGRAMS. The treatment of sections 49.141 (1) (n), 49.143 (2) (a) 2., 3., 4., 5., and 6. and (2r), 49.147 (1m) (b), (2) (am) 2., (3) (title), (a), (ac) 1., 2., and 3., (am), (c), and (d), (3m), (4) (a) and (b), (4m), and (5) (a) 3., 49.148 (1) (a) and (d), 49.161 (1) (title), 49.173, 49.26 (1) (g) (intro.) and (h) 1s. b., 49.36 (2), 71.07 (2dj) (am) 4h. and (2dx) (a) 5. and (b) 2., 3., 4., and 5., 71.28 (1dj) (am) 4h. and (1dx) (a) 5. and (b) 2., 3., 4., and 5., 71.47 (1dj) (am) 4h. and (1dx) (a) 5. and (b) 2., 3., 4., and 5., 76.636 (1) (e) 3. and (2) (b), (c), (d), and (e), 102.07 (17m), 227.01 (13) (im),

and 238.30 (4m) of the statutes and SECTION 9306 (1) of this act take effect on October 1, 2013, or on the effective date of this subsection, whichever is later.

(END)

State of Wisconsin
2013 - 2014 LEGISLATURE

LRB-0063/4
PJK:jld:rs

DOA:.....Major, BB0193 – Creating the Trial Employment Match Program and eliminating Trial Jobs, Real Work Real Pay, Subsidized Private Sector Employment, and Workforce Attachment and Advancement

FOR 2013-2015 BUDGET — NOT READY FOR INTRODUCTION

AN ACT ; **relating to:** miscellaneous changes to Wisconsin Works.

Analysis by the Legislative Reference Bureau

HEALTH AND HUMAN SERVICES

WISCONSIN WORKS

The Wisconsin Works (W–2) program under current law provides work experience and monetary benefits for low–income custodial parents who are at least 18 years old; monetary benefits for certain unmarried pregnant women and low–income custodial parents of infants eight weeks of age or less; and job search assistance to noncustodial parents who are required to pay child support, to minor custodial parents, and to certain pregnant women who are not eligible for monetary benefits under the program. W–2 is administered, generally, by W–2 agencies under contracts with DCF. W–2 provides work experience to a participant through placement in one of a number of different employment positions, depending on the participant's skills, training, and experience. For one of the employment positions, called trial jobs, a W–2 agency pays a wage subsidy to a private employer that employs a W–2 participant and that agrees to retain the participant as a permanent employee when the subsidy ends. This bill terminates the trial job employment position and replaces it with a trial employment match program (TEMP) that has the

same features as the trial job employment position, except for a few changes to current law.

Under current law, a W-2 agency pays an employer a wage subsidy of not more than $300 per month for full-time employment of a participant in a trial job. Under the bill, in TEMP the W-2 agency and employer will negotiate the wage subsidy, which will be paid for every hour that the participant actually works, up to 40 hours per week, and which may not be less than the applicable minimum wage. In addition, the W-2 agency may, as negotiated between the W-2 agency and the employer, reimburse the employer for all or a portion of other costs associated with employment of the participant, such as federal social security and Medicare taxes and worker's compensation insurance premiums. Currently, a participant may work in a trial job for up to three months, with a possible three-month extension. The bill changes the maximum time in a TEMP job to up to six months, with a possible three-month extension. Currently, an employer that employs a participant in a trial job must agree to make a good faith effort to retain the participant as a permanent unsubsidized employee after the wage subsidy under the trial job ends. For TEMP the bill adds that, if the employer does not retain the participant, the employer must serve as an employment reference for the participant or must provide the W-2 agency with a written performance evaluation with recommendations for improvement.

In addition to the replacement of trial jobs with TEMP, the bill repeals the real work, real pay employment position in W-2, which was a pilot project that ended on December 31, 2009. The bill eliminates the subsidized private sector employment program, under which participants were to be paid minimum wage for work in certain projects. The program's operation was dependent on certain conditions and it was never implemented. The bill also eliminates the workforce attachment and advancement program, which provided funding to W-2 agencies and local workforce development boards for providing certain job-related services to individuals eligible for federal Temporary Assistance for Needy Families (TANF) block grant program funds. The workforce attachment and advancement program has not received TANF funding or operated since 2003.

For further information see the ***state*** fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 49.141 (1) (n) of the statutes is amended to read:

49.141 **(1)** (n) "Trial employment match program job" means a work component of Wisconsin ~~works~~ Works administered under s. 49.147 (3).

SECTION 2. 49.143 (2) (a) 2. of the statutes is amended to read:

49.143 **(2)** (a) 2. Identify and encourage employers to provide permanent jobs for persons who are eligible for trial employment match program jobs or community service jobs.

SECTION 3. 49.143 (2) (a) 3. of the statutes is amended to read:

49.143 **(2)** (a) 3. Create, and encourage others to create, subsidized jobs for persons who are eligible for trial employment match program jobs or community service jobs.

SECTION 4. 49.143 (2) (a) 4. of the statutes is amended to read:

49.143 **(2)** (a) 4. Create, and encourage others to create, on–the–job training sites for persons who are eligible for trial employment match program jobs or community service jobs.

SECTION 5. 49.143 (2) (a) 5. of the statutes is amended to read:

49.143 **(2)** (a) 5. Foster and guide the entrepreneurial efforts of participants who are eligible for trial employment match program jobs or community service jobs.

SECTION 6. 49.143 (2) (a) 6. of the statutes is amended to read:

49.143 **(2)** (a) 6. Provide mentors, both from its membership and from recruitment of members of the community, to provide job–related guidance, including assistance in resolving job–related issues and the provision of job leads or references, to persons who are eligible for trial employment match program jobs or community service jobs.

SECTION 7. 49.143 (2r) of the statutes, as affected by 2011 Wisconsin Act 32, is amended to read:

49.143 **(2r)** JOB PROGRAMS. A Wisconsin Works agency shall collaborate with the local workforce development board to connect individuals seeking employment

with employment opportunities, including the trial ~~job~~ employment match program under s. 49.147 (3).

SECTION 8. 49.147 (1m) (b) of the statutes is amended to read:

49.147 **(1m)** (b) If the Wisconsin Works agency determines that the appropriate placement for an individual is in unsubsidized employment or a trial employment match program job and that the individual needs and wishes to pursue basic education, including a course of study meeting the standards established under s. 115.29 (4) (a) for the granting of a declaration of equivalency of high school graduation, the Wisconsin Works agency shall pay for the basic education services identified in the employability plan developed for the individual.

SECTION 9. 49.147 (2) (am) 2. of the statutes is amended to read:

49.147 **(2)** (am) 2. A Wisconsin Works agency shall, every 30 days, review the provision of case management services to an individual under this paragraph, if the individual is not successful in obtaining unsubsidized employment after legitimate efforts to secure employment, to determine whether the individual should be placed in a trial employment match program job, community service job, or transitional placement. The department shall promulgate rules that specify the criteria for the review process under this subdivision.

SECTION 10. 49.147 (3) (title) of the statutes is amended to read:

49.147 **(3)** (title) TRIAL ~~JOBS~~ EMPLOYMENT MATCH PROGRAM.

SECTION 11. 49.147 (3) (a) of the statutes is amended to read:

49.147 **(3)** (a) *Administration.* A Wisconsin Works agency shall administer a trial ~~job~~ employment match program as part of its administration of the Wisconsin Works program to improve the employability of individuals who ~~are not~~ otherwise are not able to obtain unsubsidized employment, as determined by the Wisconsin

Works agency, by providing work experience and training to assist them to move promptly into unsubsidized employment. In determining an appropriate placement for a participant, a Wisconsin Works agency shall give priority to placement under this subsection over placements under subs. (4) and (5).

(ac) *Employer subsidies and reimbursements.* The Wisconsin Works agency shall pay ~~a wage subsidy~~ to an employer that employs a participant under this subsection ~~and that agrees to make a good faith effort to retain the participant as a permanent unsubsidized employee after the wage subsidy is terminated. The wage subsidy may not exceed $300 per month for full–time employment of a participant. For less than full–time employment of a participant during a month, the wage subsidy may not exceed a dollar amount determined by multiplying $300 by a fraction, the numerator of which is the number of hours worked by the participant in the month and the denominator of which is the number of hours that would be required for full–time employment in that month.~~ a wage subsidy in an amount that is negotiated between the Wisconsin Works agency and the employer but that is not less than the state or federal minimum wage that applies to the participant. The wage subsidy shall be paid for each hour that the participant actually works, up to a maximum of 40 hours per week. In addition to paying the wage subsidy, the Wisconsin Works agency may, as negotiated between the Wisconsin Works agency and the employer, reimburse the employer for all or a portion of other costs that are attributable to the employment of the participant, including any of the following:

SECTION 12. 49.147 (3) (ac) 1. of the statutes is created to read:

49.147 **(3)** (ac) 1. Federal social security and Medicare taxes.

SECTION 13. 49.147 (3) (ac) 2. of the statutes is created to read:

49.147 **(3)** (ac) 2. State and federal unemployment contributions or taxes.

SECTION 14. 49.147 (3) (ac) 3. of the statutes is created to read:

49.147 **(3)** (ac) 3. Worker's compensation insurance premiums.

SECTION 15. 49.147 (3) (am) of the statutes is amended to read:

49.147 **(3)** (am) *Education or training activities.* A trial employment match program job includes education and training activities, as prescribed by the employer as an integral part of work performed in ~~the~~ trial ~~job~~ employment match program employment.

SECTION 16. 49.147 (3) (c) of the statutes is amended to read:

49.147 **(3)** (c) *Time–limited participation.* A participant under this subsection may participate in a trial employment match program job for a maximum of ~~3~~ 6 months, with an opportunity for a 3–month extension under circumstances determined by the Wisconsin Works agency. A participant may participate in more than one trial employment match program job, but may not exceed a total of 24 months of participation under this subsection. The months need not be consecutive. The department or, with the approval of the department, the Wisconsin Works agency may grant an extension of the 24–month limit on a case–by–case basis if the participant has made all appropriate efforts to find unsubsidized employment and has been unable to find unsubsidized employment because local labor market conditions preclude a reasonable job opportunity for that participant, as determined by a Wisconsin Works agency and approved by the department.

SECTION 17. 49.147 (3) (d) of the statutes is created to read:

49.147 **(3)** (d) *Employer effort to retain, refer, or evaluate participant.* An employer that employs a participant under this subsection and receives a wage subsidy shall agree to make a good faith effort to retain the participant as a permanent unsubsidized employee after the wage subsidy ends, although nothing in

this subsection requires an employer to retain a participant as a permanent unsubsidized employee after the wage subsidy ends. An employer shall also agree that, if the employer does not retain a participant as a permanent unsubsidized employee, the employer will serve as an employment reference for the participant or provide to the Wisconsin Works agency a written performance evaluation of the participant, including recommendations for improvements.

SECTION 18. 49.147 (3m) of the statutes is repealed.

SECTION 19. 49.147 (4) (a) of the statutes is amended to read:

49.147 **(4)** (a) *Administration.* A Wisconsin ~~works~~ Works agency shall administer a community service job program as part of its administration of Wisconsin ~~works~~ Works to improve the employability of an individual who is not otherwise able to obtain employment, as determined by the Wisconsin ~~works~~ Works agency, by providing work experience and training, if necessary, to assist the individual to move promptly into unsubsidized public or private employment or a trial employment match program job. In determining an appropriate placement for a participant, a Wisconsin ~~works~~ Works agency shall give placement under this subsection priority over placements under sub. (5). Community service jobs shall be limited to projects that the department determines would serve a useful public purpose or projects the cost of which is partially or wholly offset by revenue generated from such projects. After each 6 months of an individual's participation under this subsection and at the conclusion of each assignment under this subsection, a Wisconsin ~~works~~ Works agency shall reassess the individual's employability.

SECTION 20. 49.147 (4) (b) of the statutes is amended to read:

49.147 **(4)** (b) *Time–limited participation.* An individual may participate in a community service job for a maximum of 6 months, with an opportunity for a

3–month extension under circumstances approved by the department. An individual may participate in more than one community service job, but may not exceed a total of 24 months of participation under this subsection. The months need not be consecutive. The department or, with the approval of the department, the Wisconsin Works agency may grant an extension to the 24–month limit on a case–by–case basis if the Wisconsin Works agency determines that the individual has made all appropriate efforts to find unsubsidized employment and has been unable to find unsubsidized employment because local labor market conditions preclude a reasonable employment opportunity in unsubsidized employment for that participant, as determined by a Wisconsin Works agency and approved by the department, and if the Wisconsin Works agency determines, and the department agrees, that no trial employment match program job opportunities are available in the specified local labor market.

SECTION 21. 49.147 (4m) of the statutes is repealed.

SECTION 22. 49.147 (5) (a) 3. of the statutes is amended to read:

49.147 **(5)** (a) 3. The Wisconsin ~~works~~ Works agency determines that the individual is incapable of performing a trial employment match program job or community service job.

SECTION 23. 49.148 (1) (a) of the statutes is amended to read:

49.148 **(1)** (a) *Trial employment match program jobs.* For a participant in a trial employment match program job, the amount established in the contract between the Wisconsin ~~works~~ Works agency and the trial employment match program job employer, but not less than minimum wage for every hour actually worked in the trial employment match program job, not to exceed 40 hours per week paid by the employer. Hours spent participating in education and training activities under s.

49.147 (3) (am) shall be included in determining the number of hours actually worked.

SECTION 24. 49.148 (1) (d) of the statutes is repealed.

SECTION 25. 49.161 (1) (title) of the statutes is amended to read:

49.161 **(1)** (title) TRIAL EMPLOYMENT MATCH PROGRAM JOBS OVERPAYMENTS.

SECTION 26. 49.173 of the statutes is repealed.

SECTION 27. 49.26 (1) (g) (intro.) of the statutes is amended to read:

49.26 **(1)** (g) (intro.) An individual who is a dependent child in a Wisconsin Works group that includes a participant under s. 49.147 (3), ~~(3m),~~ (4), or (5) or who is a recipient of aid under s. 49.19 is subject to the school attendance requirement under par. (ge) if all of the following apply:

SECTION 28. 49.26 (1) (h) 1s. b. of the statutes is amended to read:

49.26 **(1)** (h) 1s. b. An individual who is a dependent child in a Wisconsin Works group that includes a participant under s. 49.147 (3), ~~(3m),~~ (4), or (5) and who fails to meet the school attendance requirement under par. (ge) is subject to a monthly sanction.

SECTION 29. 49.36 (2) of the statutes is amended to read:

49.36 **(2)** The department may contract with any county, tribal governing body, or Wisconsin Works agency to administer a work experience and job training program for parents who are not custodial parents and who fail to pay child support or to meet their children's needs for support as a result of unemployment or underemployment. The program may provide the kinds of work experience and job training services available from the program under s. 49.193, 1997 stats., or s. 49.147 (3)~~, (3m),~~ or (4). The program may also include job search and job orientation

activities. The department shall fund the program from the appropriations under s. 20.437 (2) (dz) and (k).

SECTION 30. 71.07 (2dj) (am) 4h. of the statutes is amended to read:

71.07 **(2dj)** (am) 4h. Modify section 51 (a) of the ~~internal revenue code~~ Internal Revenue Code so that the amount of the credit is ~~25%~~ 25 percent of the qualified first–year wages if the wages are paid to an applicant for a Wisconsin ~~works~~ Works employment position for service either in an unsubsidized position or in a trial job under s. 49.147 (3), 2011 stats., and so that the amount of the credit is ~~20%~~ 20 percent of the qualified first–year wages if the wages are not paid to such an applicant.

SECTION 31. 71.07 (2dx) (a) 5. of the statutes is amended to read:

71.07 **(2dx)** (a) 5. "Member of a targeted group" means a person who resides in an area designated by the federal government as an economic revitalization area, a person who is employed in an unsubsidized job but meets the eligibility requirements under s. 49.145 (2) and (3) for a Wisconsin Works employment position, a person who is employed in a trial job, as defined in s. 49.141 (1) (n), 2011 stats., or in a ~~real work, real pay project position under s. 49.147 (3m)~~ trial employment match program job, as defined in s. 49.141 (1) (n), a person who is eligible for child care assistance under s. 49.155, a person who is a vocational rehabilitation referral, an economically disadvantaged youth, an economically disadvantaged veteran, a supplemental security income recipient, a general assistance recipient, an economically disadvantaged ex–convict, a qualified summer youth employee, as defined in 26 USC 51 (d) (7), a dislocated worker, as defined in 29 USC 2801 (9), or a food stamp recipient, if the person has been certified in the manner under sub. (2dj) (am) 3. by a designated local agency, as defined in sub. (2dj) (am) 2.

SECTION 32. 71.07 (2dx) (b) 2. of the statutes is amended to read:

71.07 **(2dx)** (b) 2. The amount determined by multiplying the amount determined under s. 238.385 (1) (b) or s. 560.785 (1) (b), 2009 stats., by the number of full–time jobs created in a development zone and filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and reimbursements paid under s. 49.147 (3m) (c)~~ for those jobs.

SECTION 33. 71.07 (2dx) (b) 3. of the statutes is amended to read:

71.07 **(2dx)** (b) 3. The amount determined by multiplying the amount determined under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number of full–time jobs created in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and reimbursements paid under s. 49.147 (3m) (c)~~ for those jobs.

SECTION 34. 71.07 (2dx) (b) 4. of the statutes is amended to read:

71.07 **(2dx)** (b) 4. The amount determined by multiplying the amount determined under s. 238.385 (1) (bm) or s. 560.785 (1) (bm), 2009 stats., by the number of full–time jobs retained, as provided in the rules under s. 238.385 or s. 560.785, 2009 stats., excluding jobs for which a credit has been claimed under sub. (2dj), in an enterprise development zone under s. 238.397 or s. 560.797, 2009 stats., and for which significant capital investment was made and by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and reimbursements paid under s. 49.147 (3m) (c)~~ for those jobs.

SECTION 35. 71.07 (2dx) (b) 5. of the statutes is amended to read:

71.07 **(2dx)** (b) 5. The amount determined by multiplying the amount determined under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number of full–time jobs retained, as provided in the rules under s. 238.385 or s. 560.785, 2009 stats., excluding jobs for which a credit has been claimed under sub. (2dj), in

a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and reimbursements paid under s. 49.147 (3m) (c)~~ for those jobs.

SECTION 36. 71.28 (1dj) (am) 4h. of the statutes is amended to read:

71.28 **(1dj)** (am) 4h. Modify section 51 (a) of the ~~internal revenue code~~ Internal Revenue Code so that the amount of the credit is ~~25%~~ 25 percent of the qualified first–year wages if the wages are paid to an applicant for a Wisconsin ~~works~~ Works employment position for service either in an unsubsidized position or in a trial job under s. 49.147 (3), 2011 stats., and so that the amount of the credit is ~~20%~~ 20 percent of the qualified first–year wages if the wages are not paid to such an applicant.

SECTION 37. 71.28 (1dx) (a) 5. of the statutes is amended to read:

71.28 **(1dx)** (a) 5. "Member of a targeted group" means a person who resides in an area designated by the federal government as an economic revitalization area, a person who is employed in an unsubsidized job but meets the eligibility requirements under s. 49.145 (2) and (3) for a Wisconsin Works employment position, a person who is employed in a trial job, as defined in s. 49.141 (1) (n), 2011 stats., or in a ~~real work, real pay project position under s. 49.147 (3m)~~ trial employment match program job, as defined in s. 49.141 (1) (n), a person who is eligible for child care assistance under s. 49.155, a person who is a vocational rehabilitation referral, an economically disadvantaged youth, an economically disadvantaged veteran, a supplemental security income recipient, a general assistance recipient, an economically disadvantaged ex–convict, a qualified summer youth employee, as defined in 26 USC 51 (d) (7), a dislocated worker, as defined in 29 USC 2801 (9), or a food stamp recipient, if the person has been certified in the manner under sub. (1dj) (am) 3. by a designated local agency, as defined in sub. (1dj) (am) 2.

SECTION 38. 71.28 (1dx) (b) 2. of the statutes is amended to read:

71.28 **(1dx)** (b) 2. The amount determined by multiplying the amount determined under s. 238.385 (1) (b) or s. 560.785 (1) (b), 2009 stats., by the number of full–time jobs created in a development zone and filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and reimbursements paid under s. 49.147 (3m) (c)~~ for those jobs.

SECTION 39. 71.28 (1dx) (b) 3. of the statutes is amended to read:

71.28 **(1dx)** (b) 3. The amount determined by multiplying the amount determined under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number of full–time jobs created in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and reimbursements paid under s. 49.147 (3m) (c)~~ for those jobs.

SECTION 40. 71.28 (1dx) (b) 4. of the statutes is amended to read:

71.28 **(1dx)** (b) 4. The amount determined by multiplying the amount determined under s. 238.385 (1) (bm) or s. 560.785 (1) (bm), 2009 stats., by the number of full–time jobs retained, as provided in the rules under s. 238.385 or s. 560.785, 2009 stats., excluding jobs for which a credit has been claimed under sub. (1dj), in an enterprise development zone under s. 238.397 or s. 560.797, 2009 stats., and for which significant capital investment was made and by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and reimbursements paid under s. 49.147 (3m) (c)~~ for those jobs.

SECTION 41. 71.28 (1dx) (b) 5. of the statutes is amended to read:

71.28 **(1dx)** (b) 5. The amount determined by multiplying the amount determined under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number of full–time jobs retained, as provided in the rules under s. 238.385 or s. 560.785,

2009 stats., excluding jobs for which a credit has been claimed under sub. (1dj), in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and reimbursements paid under s. 49.147 (3m) (c)~~ for those jobs.

SECTION 42. 71.47 (1dj) (am) 4h. of the statutes is amended to read:

71.47 **(1dj)** (am) 4h. Modify section 51 (a) of the ~~internal revenue code~~ Internal Revenue Code so that the amount of the credit is ~~25%~~ 25 percent of the qualified first–year wages if the wages are paid to an applicant for a Wisconsin ~~works~~ Works employment position for service either in an unsubsidized position or in a trial job under s. 49.147 (3), 2011 stats., and so that the amount of the credit is ~~20%~~ 20 percent of the qualified first–year wages if the wages are not paid to such an applicant.

SECTION 43. 71.47 (1dx) (a) 5. of the statutes is amended to read:

71.47 **(1dx)** (a) 5. "Member of a targeted group" means a person who resides in an area designated by the federal government as an economic revitalization area, a person who is employed in an unsubsidized job but meets the eligibility requirements under s. 49.145 (2) and (3) for a Wisconsin Works employment position, a person who is employed in a trial job, as defined in s. 49.141 (1) (n), 2011 stats., or in a ~~real work, real pay project position under s. 49.147 (3m)~~ trial employment match program job, as defined in s. 49.141 (1) (n), a person who is eligible for child care assistance under s. 49.155, a person who is a vocational rehabilitation referral, an economically disadvantaged youth, an economically disadvantaged veteran, a supplemental security income recipient, a general assistance recipient, an economically disadvantaged ex–convict, a qualified summer youth employee, as defined in 26 USC 51 (d) (7), a dislocated worker, as defined in 29 USC 2801 (9), or

a food stamp recipient, if the person has been certified in the manner under sub. (1dj) (am) 3. by a designated local agency, as defined in sub. (1dj) (am) 2.

SECTION 44. 71.47 (1dx) (b) 2. of the statutes is amended to read:

71.47 **(1dx)** (b) 2. The amount determined by multiplying the amount determined under s. 238.385 (1) (b) or s. 560.785 (1) (b), 2009 stats., by the number of full–time jobs created in a development zone and filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and reimbursements paid under s. 49.147 (3m) (c)~~ for those jobs.

SECTION 45. 71.47 (1dx) (b) 3. of the statutes is amended to read:

71.47 **(1dx)** (b) 3. The amount determined by multiplying the amount determined under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number of full–time jobs created in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and reimbursements paid under s. 49.147 (3m) (c)~~ for those jobs.

SECTION 46. 71.47 (1dx) (b) 4. of the statutes is amended to read:

71.47 **(1dx)** (b) 4. The amount determined by multiplying the amount determined under s. 238.385 (1) (bm) or s. 560.785 (1) (bm), 2009 stats., by the number of full–time jobs retained, as provided in the rules under s. 238.385 or s. 560.785, 2009 stats., excluding jobs for which a credit has been claimed under sub. (1dj), in an enterprise development zone under s. 238.397 or s. 560.797, 2009 stats., and for which significant capital investment was made and by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and reimbursements paid under s. 49.147 (3m) (c)~~ for those jobs.

SECTION 47. 71.47 (1dx) (b) 5. of the statutes is amended to read:

71.47 **(1dx)** (b) 5. The amount determined by multiplying the amount determined under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number of full–time jobs retained, as provided in the rules under s. 238.385 or s. 560.785, 2009 stats., excluding jobs for which a credit has been claimed under sub. (1dj), in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and reimbursements paid under s. 49.147 (3m) (c)~~ for those jobs.

SECTION 48. 76.636 (1) (e) 3. of the statutes is amended to read:

76.636 **(1)** (e) 3. A person who is employed in a trial job, as defined in s. 49.141 (1) (n), 2011 stats., or in a ~~real work, real pay project position under s. 49.147 (3m)~~ trial employment match program job, as defined in s. 49.141 (1) (n).

SECTION 49. 76.636 (2) (b) of the statutes is amended to read:

76.636 **(2)** (b) The amount determined by multiplying the amount determined under s. 238.385 (1) (b) or s. 560.785 (1) (b), 2009 stats., by the number of full–time jobs created in a development zone and filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and reimbursements paid under s. 49.147 (3m) (c)~~ for those jobs.

SECTION 50. 76.636 (2) (c) of the statutes is amended to read:

76.636 **(2)** (c) The amount determined by multiplying the amount determined under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number of full–time jobs created in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and reimbursements paid under s. 49.147 (3m) (c)~~ for those jobs.

SECTION 51. 76.636 (2) (d) of the statutes is amended to read:

76.636 **(2)** (d) The amount determined by multiplying the amount determined under s. 238.385 (1) (bm) or s. 560.785 (1) (bm), 2009 stats., by the number of full–time jobs retained, as provided in the rules under s. 238.385 or s. 560.785, 2009 stats., excluding jobs for which a credit has been claimed under s. 71.47 (1dj), in an enterprise development zone under s. 238.397 or s. 560.797, 2009 stats., and for which significant capital investment was made and by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and reimbursements paid under s. 49.147 (3m) (c)~~ for those jobs.

SECTION 52. 76.636 (2) (e) of the statutes is amended to read:

76.636 **(2)** (e) The amount determined by multiplying the amount determined under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number of full–time jobs retained, as provided in the rules under s. 238.385 or s. 560.785, 2009 stats., excluding jobs for which a credit has been claimed under s. 71.47 (1dj), in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and reimbursements paid under s. 49.147 (3m) (c)~~ for those jobs.

SECTION 53. 102.07 (17m) of the statutes is amended to read:

102.07 **(17m)** A participant in a trial employment match program job under s. 49.147 (3) is an employee of any employer under this chapter for whom the participant is performing service at the time of the injury.

SECTION 54. 227.01 (13) (im) of the statutes is repealed.

SECTION 55. 238.30 (4m) of the statutes is amended to read:

238.30 **(4m)** "Member of a targeted group" means a person who resides in an area designated by the federal government as an economic revitalization area, a person who is employed in an unsubsidized job but meets the eligibility requirements

under s. 49.145 (2) and (3) for a Wisconsin Works employment position, a person who is employed in a trial job, as defined in s. 49.141 (1) (n), 2011 stats., or in a ~~real work, real pay project position under s. 49.147 (3m)~~ trial employment match program job, as defined in s. 49.141 (1) (n), a person who is eligible for child care assistance under s. 49.155, a person who is a vocational rehabilitation referral, an economically disadvantaged youth, an economically disadvantaged veteran, a supplemental security income recipient, a general assistance recipient, an economically disadvantaged ex–convict, a dislocated worker, as defined in 29 USC 2801 (9), or a food stamp recipient, if the person has been certified in the manner under 26 USC 51 (d) (13) (A) by a designated local agency, as defined in 26 USC 51 (d) (12).

SECTION 9306. Initial applicability; Children and Families.

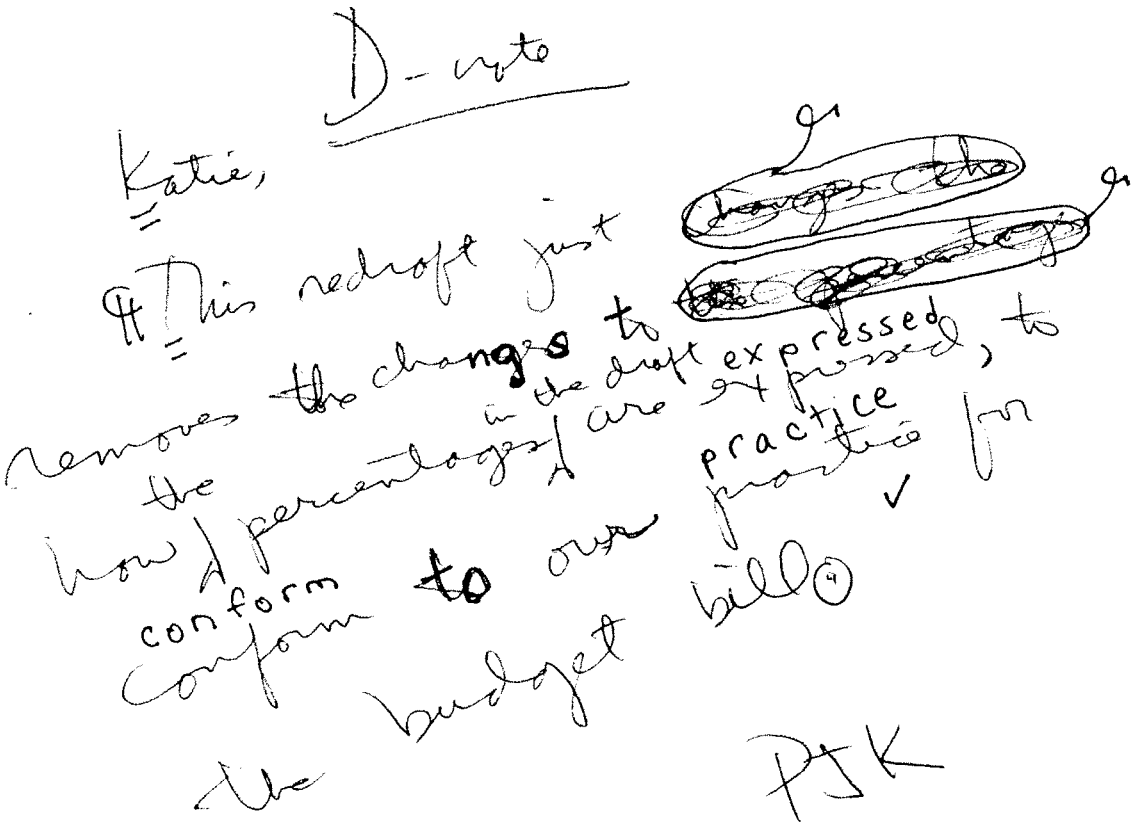
(1) TRIAL EMPLOYMENT MATCH PROGRAM. The treatment of section 49.147 (3) (a), (ac) 1., 2., and 3., (c), and (d) of the statutes first applies to Wisconsin Works participants who are placed in the trial employment match program on the effective date of this subsection.

SECTION 9406. Effective dates; Children and Families.

(1) CHANGES TO WISCONSIN WORKS PROGRAMS. The treatment of sections 49.141 (1) (n), 49.143 (2) (a) 2., 3., 4., 5., and 6. and (2r), 49.147 (1m) (b), (2) (am) 2., (3) (title), (a), (ac) 1., 2., and 3., (am), (c), and (d), (3m), (4) (a) and (b), (4m), and (5) (a) 3., 49.148 (1) (a) and (d), 49.161 (1) (title), 49.173, 49.26 (1) (g) (intro.) and (h) 1s. b., 49.36 (2), 71.07 (2dj) (am) 4h. and (2dx) (a) 5. and (b) 2., 3., 4., and 5., 71.28 (1dj) (am) 4h. and (1dx) (a) 5. and (b) 2., 3., 4., and 5., 71.47 (1dj) (am) 4h. and (1dx) (a) 5. and (b) 2., 3., 4., and 5., 76.636 (1) (e) 3. and (2) (b), (c), (d), and (e), 102.07 (17m), 227.01 (13) (im),

and 238.30 (4m) of the statutes and SECTION 9306 (1) of this act take effect on October 1, 2013, or on the effective date of this subsection, whichever is later.

(END)



DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-0063/4dn
PJK:jld:jm

February 5, 2013

Katie,

This redraft just removes the changes to how the percentages in the draft are expressed, to conform to our practice for the budget bill.

Pamela J. Kahler
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State of Wisconsin
2013 - 2014 LEGISLATURE

LRB-0063/4
PJK:jld:jm

DOA:.....Major, BB0193 – Creating the Trial Employment Match Program and eliminating Trial Jobs, Real Work Real Pay, Subsidized Private Sector Employment, and Workforce Attachment and Advancement

FOR 2013-2015 BUDGET — NOT READY FOR INTRODUCTION

AN ACT ...; **relating to:** miscellaneous changes to Wisconsin Works.

Analysis by the Legislative Reference Bureau

HEALTH AND HUMAN SERVICES

WISCONSIN WORKS

The Wisconsin Works (W–2) program under current law provides work experience and monetary benefits for low–income custodial parents who are at least 18 years old; monetary benefits for certain unmarried pregnant women and low–income custodial parents of infants eight weeks of age or less; and job search assistance to noncustodial parents who are required to pay child support, to minor custodial parents, and to certain pregnant women who are not eligible for monetary benefits under the program. W–2 is administered, generally, by W–2 agencies under contracts with DCF. W–2 provides work experience to a participant through placement in one of a number of different employment positions, depending on the participant's skills, training, and experience. For one of the employment positions, called trial jobs, a W–2 agency pays a wage subsidy to a private employer that employs a W–2 participant and that agrees to retain the participant as a permanent employee when the subsidy ends. This bill terminates the trial job employment position and replaces it with a trial employment match program (TEMP) that has the

same features as the trial job employment position, except for a few changes to current law.

Under current law, a W–2 agency pays an employer a wage subsidy of not more than $300 per month for full–time employment of a participant in a trial job. Under the bill, in TEMP the W–2 agency and employer will negotiate the wage subsidy, which will be paid for every hour that the participant actually works, up to 40 hours per week, and which may not be less than the applicable minimum wage. In addition, the W–2 agency may, as negotiated between the W–2 agency and the employer, reimburse the employer for all or a portion of other costs associated with employment of the participant, such as federal social security and Medicare taxes and worker's compensation insurance premiums. Currently, a participant may work in a trial job for up to three months, with a possible three–month extension. The bill changes the maximum time in a TEMP job to up to six months, with a possible three–month extension. Currently, an employer that employs a participant in a trial job must agree to make a good faith effort to retain the participant as a permanent unsubsidized employee after the wage subsidy under the trial job ends. For TEMP the bill adds that, if the employer does not retain the participant, the employer must serve as an employment reference for the participant or must provide the W–2 agency with a written performance evaluation with recommendations for improvement.

In addition to the replacement of trial jobs with TEMP, the bill repeals the real work, real pay employment position in W–2, which was a pilot project that ended on December 31, 2009. The bill eliminates the subsidized private sector employment program, under which participants were to be paid minimum wage for work in certain projects. The program's operation was dependent on certain conditions and it was never implemented. The bill also eliminates the workforce attachment and advancement program, which provided funding to W–2 agencies and local workforce development boards for providing certain job–related services to individuals eligible for federal Temporary Assistance for Needy Families (TANF) block grant program funds. The workforce attachment and advancement program has not received TANF funding or operated since 2003.

For further information see the ***state*** fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 49.141 (1) (n) of the statutes is amended to read:

49.141 **(1)** (n) "Trial employment match program job" means a work component of Wisconsin ~~works~~ Works administered under s. 49.147 (3).

SECTION 2. 49.143 (2) (a) 2. of the statutes is amended to read:

49.143 **(2)** (a) 2. Identify and encourage employers to provide permanent jobs for persons who are eligible for trial employment match program jobs or community service jobs.

SECTION 3. 49.143 (2) (a) 3. of the statutes is amended to read:

49.143 **(2)** (a) 3. Create, and encourage others to create, subsidized jobs for persons who are eligible for trial employment match program jobs or community service jobs.

SECTION 4. 49.143 (2) (a) 4. of the statutes is amended to read:

49.143 **(2)** (a) 4. Create, and encourage others to create, on–the–job training sites for persons who are eligible for trial employment match program jobs or community service jobs.

SECTION 5. 49.143 (2) (a) 5. of the statutes is amended to read:

49.143 **(2)** (a) 5. Foster and guide the entrepreneurial efforts of participants who are eligible for trial employment match program jobs or community service jobs.

SECTION 6. 49.143 (2) (a) 6. of the statutes is amended to read:

49.143 **(2)** (a) 6. Provide mentors, both from its membership and from recruitment of members of the community, to provide job–related guidance, including assistance in resolving job–related issues and the provision of job leads or references, to persons who are eligible for trial employment match program jobs or community service jobs.

SECTION 7. 49.143 (2r) of the statutes, as affected by 2011 Wisconsin Act 32, is amended to read:

49.143 **(2r)** JOB PROGRAMS. A Wisconsin Works agency shall collaborate with the local workforce development board to connect individuals seeking employment

with employment opportunities, including the trial ~~job~~ employment match program under s. 49.147 (3).

SECTION 8. 49.147 (1m) (b) of the statutes is amended to read:

49.147 **(1m)** (b) If the Wisconsin Works agency determines that the appropriate placement for an individual is in unsubsidized employment or a trial employment match program job and that the individual needs and wishes to pursue basic education, including a course of study meeting the standards established under s. 115.29 (4) (a) for the granting of a declaration of equivalency of high school graduation, the Wisconsin Works agency shall pay for the basic education services identified in the employability plan developed for the individual.

SECTION 9. 49.147 (2) (am) 2. of the statutes is amended to read:

49.147 **(2)** (am) 2. A Wisconsin Works agency shall, every 30 days, review the provision of case management services to an individual under this paragraph, if the individual is not successful in obtaining unsubsidized employment after legitimate efforts to secure employment, to determine whether the individual should be placed in a trial employment match program job, community service job, or transitional placement. The department shall promulgate rules that specify the criteria for the review process under this subdivision.

SECTION 10. 49.147 (3) (title) of the statutes is amended to read:

49.147 **(3)** (title) TRIAL ~~JOBS~~ EMPLOYMENT MATCH PROGRAM.

SECTION 11. 49.147 (3) (a) of the statutes is amended to read:

49.147 **(3)** (a) *Administration.* A Wisconsin Works agency shall administer a trial ~~job~~ employment match program as part of its administration of the Wisconsin Works program to improve the employability of individuals who ~~are not~~ otherwise are not able to obtain unsubsidized employment, as determined by the Wisconsin

Works agency, by providing work experience and training to assist them to move promptly into unsubsidized employment. In determining an appropriate placement for a participant, a Wisconsin Works agency shall give priority to placement under this subsection over placements under subs. (4) and (5).

(ac) *Employer subsidies and reimbursements.* The Wisconsin Works agency shall pay ~~a wage subsidy~~ to an employer that employs a participant under this subsection ~~and that agrees to make a good faith effort to retain the participant as a permanent unsubsidized employee after the wage subsidy is terminated. The wage subsidy may not exceed $300 per month for full–time employment of a participant. For less than full–time employment of a participant during a month, the wage subsidy may not exceed a dollar amount determined by multiplying $300 by a fraction, the numerator of which is the number of hours worked by the participant in the month and the denominator of which is the number of hours that would be required for full–time employment in that month.~~ a wage subsidy in an amount that is negotiated between the Wisconsin Works agency and the employer but that is not less than the state or federal minimum wage that applies to the participant. The wage subsidy shall be paid for each hour that the participant actually works, up to a maximum of 40 hours per week. In addition to paying the wage subsidy, the Wisconsin Works agency may, as negotiated between the Wisconsin Works agency and the employer, reimburse the employer for all or a portion of other costs that are attributable to the employment of the participant, including any of the following:

SECTION 12. 49.147 (3) (ac) 1. of the statutes is created to read:

49.147 **(3)** (ac) 1. Federal social security and Medicare taxes.

SECTION 13. 49.147 (3) (ac) 2. of the statutes is created to read:

49.147 **(3)** (ac) 2. State and federal unemployment contributions or taxes.

SECTION 14. 49.147 (3) (ac) 3. of the statutes is created to read:

49.147 **(3)** (ac) 3. Worker's compensation insurance premiums.

SECTION 15. 49.147 (3) (am) of the statutes is amended to read:

49.147 **(3)** (am) *Education or training activities.* A trial employment match program job includes education and training activities, as prescribed by the employer as an integral part of work performed in ~~the~~ trial ~~job~~ employment match program employment.

SECTION 16. 49.147 (3) (c) of the statutes is amended to read:

49.147 **(3)** (c) *Time–limited participation.* A participant under this subsection may participate in a trial employment match program job for a maximum of ~~3~~ 6 months, with an opportunity for a 3–month extension under circumstances determined by the Wisconsin Works agency. A participant may participate in more than one trial employment match program job, but may not exceed a total of 24 months of participation under this subsection. The months need not be consecutive. The department or, with the approval of the department, the Wisconsin Works agency may grant an extension of the 24–month limit on a case–by–case basis if the participant has made all appropriate efforts to find unsubsidized employment and has been unable to find unsubsidized employment because local labor market conditions preclude a reasonable job opportunity for that participant, as determined by a Wisconsin Works agency and approved by the department.

SECTION 17. 49.147 (3) (d) of the statutes is created to read:

49.147 **(3)** (d) *Employer effort to retain, refer, or evaluate participant.* An employer that employs a participant under this subsection and receives a wage subsidy shall agree to make a good faith effort to retain the participant as a permanent unsubsidized employee after the wage subsidy ends, although nothing in

this subsection requires an employer to retain a participant as a permanent unsubsidized employee after the wage subsidy ends. An employer shall also agree that, if the employer does not retain a participant as a permanent unsubsidized employee, the employer will serve as an employment reference for the participant or provide to the Wisconsin Works agency a written performance evaluation of the participant, including recommendations for improvements.

SECTION 18. 49.147 (3m) of the statutes is repealed.

SECTION 19. 49.147 (4) (a) of the statutes is amended to read:

49.147 **(4)** (a) *Administration.* A Wisconsin ~~works~~ Works agency shall administer a community service job program as part of its administration of Wisconsin ~~works~~ Works to improve the employability of an individual who is not otherwise able to obtain employment, as determined by the Wisconsin ~~works~~ Works agency, by providing work experience and training, if necessary, to assist the individual to move promptly into unsubsidized public or private employment or a trial employment match program job. In determining an appropriate placement for a participant, a Wisconsin ~~works~~ Works agency shall give placement under this subsection priority over placements under sub. (5). Community service jobs shall be limited to projects that the department determines would serve a useful public purpose or projects the cost of which is partially or wholly offset by revenue generated from such projects. After each 6 months of an individual's participation under this subsection and at the conclusion of each assignment under this subsection, a Wisconsin ~~works~~ Works agency shall reassess the individual's employability.

SECTION 20. 49.147 (4) (b) of the statutes is amended to read:

49.147 **(4)** (b) *Time–limited participation.* An individual may participate in a community service job for a maximum of 6 months, with an opportunity for a

3–month extension under circumstances approved by the department. An individual may participate in more than one community service job, but may not exceed a total of 24 months of participation under this subsection. The months need not be consecutive. The department or, with the approval of the department, the Wisconsin Works agency may grant an extension to the 24–month limit on a case–by–case basis if the Wisconsin Works agency determines that the individual has made all appropriate efforts to find unsubsidized employment and has been unable to find unsubsidized employment because local labor market conditions preclude a reasonable employment opportunity in unsubsidized employment for that participant, as determined by a Wisconsin Works agency and approved by the department, and if the Wisconsin Works agency determines, and the department agrees, that no trial employment match program job opportunities are available in the specified local labor market.

SECTION 21. 49.147 (4m) of the statutes is repealed.

SECTION 22. 49.147 (5) (a) 3. of the statutes is amended to read:

49.147 **(5)** (a) 3. The Wisconsin ~~works~~ Works agency determines that the individual is incapable of performing a trial employment match program job or community service job.

SECTION 23. 49.148 (1) (a) of the statutes is amended to read:

49.148 **(1)** (a) *Trial employment match program jobs.* For a participant in a trial employment match program job, the amount established in the contract between the Wisconsin ~~works~~ Works agency and the trial employment match program job employer, but not less than minimum wage for every hour actually worked in the trial employment match program job, not to exceed 40 hours per week paid by the employer. Hours spent participating in education and training activities under s.

49.147 (3) (am) shall be included in determining the number of hours actually worked.

SECTION 24. 49.148 (1) (d) of the statutes is repealed.

SECTION 25. 49.161 (1) (title) of the statutes is amended to read:

49.161 **(1)** (title) TRIAL EMPLOYMENT MATCH PROGRAM JOBS OVERPAYMENTS.

SECTION 26. 49.173 of the statutes is repealed.

SECTION 27. 49.26 (1) (g) (intro.) of the statutes is amended to read:

49.26 **(1)** (g) (intro.) An individual who is a dependent child in a Wisconsin Works group that includes a participant under s. 49.147 (3), ~~(3m),~~ (4), or (5) or who is a recipient of aid under s. 49.19 is subject to the school attendance requirement under par. (ge) if all of the following apply:

SECTION 28. 49.26 (1) (h) 1s. b. of the statutes is amended to read:

49.26 **(1)** (h) 1s. b. An individual who is a dependent child in a Wisconsin Works group that includes a participant under s. 49.147 (3), ~~(3m),~~ (4), or (5) and who fails to meet the school attendance requirement under par. (ge) is subject to a monthly sanction.

SECTION 29. 49.36 (2) of the statutes is amended to read:

49.36 **(2)** The department may contract with any county, tribal governing body, or Wisconsin Works agency to administer a work experience and job training program for parents who are not custodial parents and who fail to pay child support or to meet their children's needs for support as a result of unemployment or underemployment. The program may provide the kinds of work experience and job training services available from the program under s. 49.193, 1997 stats., or s. 49.147 (3), ~~(3m),~~ or (4). The program may also include job search and job orientation

activities. The department shall fund the program from the appropriations under s. 20.437 (2) (dz) and (k).

SECTION 30. 71.07 (2dj) (am) 4h. of the statutes is amended to read:

71.07 **(2dj)** (am) 4h. Modify section 51 (a) of the ~~internal revenue code~~ Internal Revenue Code so that the amount of the credit is 25% of the qualified first–year wages if the wages are paid to an applicant for a Wisconsin ~~works~~ Works employment position for service either in an unsubsidized position or in a trial job under s. 49.147 (3), 2011 stats., and so that the amount of the credit is 20% of the qualified first–year wages if the wages are not paid to such an applicant.

SECTION 31. 71.07 (2dx) (a) 5. of the statutes is amended to read:

71.07 **(2dx)** (a) 5. "Member of a targeted group" means a person who resides in an area designated by the federal government as an economic revitalization area, a person who is employed in an unsubsidized job but meets the eligibility requirements under s. 49.145 (2) and (3) for a Wisconsin Works employment position, a person who is employed in a trial job, as defined in s. 49.141 (1) (n), 2011 stats., or in a ~~real work, real pay project position under s. 49.147 (3m)~~ trial employment match program job, as defined in s. 49.141 (1) (n), a person who is eligible for child care assistance under s. 49.155, a person who is a vocational rehabilitation referral, an economically disadvantaged youth, an economically disadvantaged veteran, a supplemental security income recipient, a general assistance recipient, an economically disadvantaged ex–convict, a qualified summer youth employee, as defined in 26 USC 51 (d) (7), a dislocated worker, as defined in 29 USC 2801 (9), or a food stamp recipient, if the person has been certified in the manner under sub. (2dj) (am) 3. by a designated local agency, as defined in sub. (2dj) (am) 2.

SECTION 32. 71.07 (2dx) (b) 2. of the statutes is amended to read:

71.07 **(2dx)** (b) 2. The amount determined by multiplying the amount determined under s. 238.385 (1) (b) or s. 560.785 (1) (b), 2009 stats., by the number of full–time jobs created in a development zone and filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and reimbursements paid under s. 49.147 (3m) (c)~~ for those jobs.

SECTION 33. 71.07 (2dx) (b) 3. of the statutes is amended to read:

71.07 **(2dx)** (b) 3. The amount determined by multiplying the amount determined under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number of full–time jobs created in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and reimbursements paid under s. 49.147 (3m) (c)~~ for those jobs.

SECTION 34. 71.07 (2dx) (b) 4. of the statutes is amended to read:

71.07 **(2dx)** (b) 4. The amount determined by multiplying the amount determined under s. 238.385 (1) (bm) or s. 560.785 (1) (bm), 2009 stats., by the number of full–time jobs retained, as provided in the rules under s. 238.385 or s. 560.785, 2009 stats., excluding jobs for which a credit has been claimed under sub. (2dj), in an enterprise development zone under s. 238.397 or s. 560.797, 2009 stats., and for which significant capital investment was made and by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and reimbursements paid under s. 49.147 (3m) (c)~~ for those jobs.

SECTION 35. 71.07 (2dx) (b) 5. of the statutes is amended to read:

71.07 **(2dx)** (b) 5. The amount determined by multiplying the amount determined under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number of full–time jobs retained, as provided in the rules under s. 238.385 or s. 560.785, 2009 stats., excluding jobs for which a credit has been claimed under sub. (2dj), in

a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and reimbursements paid under s. 49.147 (3m) (c)~~ for those jobs.

SECTION 36. 71.28 (1dj) (am) 4h. of the statutes is amended to read:

71.28 **(1dj)** (am) 4h. Modify section 51 (a) of the ~~internal revenue code~~ Internal Revenue Code so that the amount of the credit is 25% of the qualified first–year wages if the wages are paid to an applicant for a Wisconsin ~~works~~ Works employment position for service either in an unsubsidized position or in a trial job under s. 49.147 (3), 2011 stats., and so that the amount of the credit is 20% of the qualified first–year wages if the wages are not paid to such an applicant.

SECTION 37. 71.28 (1dx) (a) 5. of the statutes is amended to read:

71.28 **(1dx)** (a) 5. "Member of a targeted group" means a person who resides in an area designated by the federal government as an economic revitalization area, a person who is employed in an unsubsidized job but meets the eligibility requirements under s. 49.145 (2) and (3) for a Wisconsin Works employment position, a person who is employed in a trial job, as defined in s. 49.141 (1) (n), 2011 stats., or in a ~~real work, real pay project position under s. 49.147 (3m)~~ trial employment match program job, as defined in s. 49.141 (1) (n), a person who is eligible for child care assistance under s. 49.155, a person who is a vocational rehabilitation referral, an economically disadvantaged youth, an economically disadvantaged veteran, a supplemental security income recipient, a general assistance recipient, an economically disadvantaged ex–convict, a qualified summer youth employee, as defined in 26 USC 51 (d) (7), a dislocated worker, as defined in 29 USC 2801 (9), or a food stamp recipient, if the person has been certified in the manner under sub. (1dj) (am) 3. by a designated local agency, as defined in sub. (1dj) (am) 2.

SECTION 38. 71.28 (1dx) (b) 2. of the statutes is amended to read:

71.28 **(1dx)** (b) 2. The amount determined by multiplying the amount determined under s. 238.385 (1) (b) or s. 560.785 (1) (b), 2009 stats., by the number of full–time jobs created in a development zone and filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and reimbursements paid under s. 49.147 (3m) (c)~~ for those jobs.

SECTION 39. 71.28 (1dx) (b) 3. of the statutes is amended to read:

71.28 **(1dx)** (b) 3. The amount determined by multiplying the amount determined under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number of full–time jobs created in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and reimbursements paid under s. 49.147 (3m) (c)~~ for those jobs.

SECTION 40. 71.28 (1dx) (b) 4. of the statutes is amended to read:

71.28 **(1dx)** (b) 4. The amount determined by multiplying the amount determined under s. 238.385 (1) (bm) or s. 560.785 (1) (bm), 2009 stats., by the number of full–time jobs retained, as provided in the rules under s. 238.385 or s. 560.785, 2009 stats., excluding jobs for which a credit has been claimed under sub. (1dj), in an enterprise development zone under s. 238.397 or s. 560.797, 2009 stats., and for which significant capital investment was made and by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and reimbursements paid under s. 49.147 (3m) (c)~~ for those jobs.

SECTION 41. 71.28 (1dx) (b) 5. of the statutes is amended to read:

71.28 **(1dx)** (b) 5. The amount determined by multiplying the amount determined under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number of full–time jobs retained, as provided in the rules under s. 238.385 or s. 560.785,

2009 stats., excluding jobs for which a credit has been claimed under sub. (1dj), in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and reimbursements paid under s. 49.147 (3m) (c)~~ for those jobs.

SECTION 42. 71.47 (1dj) (am) 4h. of the statutes is amended to read:

71.47 **(1dj)** (am) 4h. Modify section 51 (a) of the ~~internal revenue code~~ Internal Revenue Code so that the amount of the credit is 25% of the qualified first–year wages if the wages are paid to an applicant for a Wisconsin ~~works~~ Works employment position for service either in an unsubsidized position or in a trial job under s. 49.147 (3), 2011 stats., and so that the amount of the credit is 20% of the qualified first–year wages if the wages are not paid to such an applicant.

SECTION 43. 71.47 (1dx) (a) 5. of the statutes is amended to read:

71.47 **(1dx)** (a) 5. "Member of a targeted group" means a person who resides in an area designated by the federal government as an economic revitalization area, a person who is employed in an unsubsidized job but meets the eligibility requirements under s. 49.145 (2) and (3) for a Wisconsin Works employment position, a person who is employed in a trial job, as defined in s. 49.141 (1) (n), 2011 stats., or in a ~~real work, real pay project position under s. 49.147 (3m)~~ trial employment match program job, as defined in s. 49.141 (1) (n), a person who is eligible for child care assistance under s. 49.155, a person who is a vocational rehabilitation referral, an economically disadvantaged youth, an economically disadvantaged veteran, a supplemental security income recipient, a general assistance recipient, an economically disadvantaged ex–convict, a qualified summer youth employee, as defined in 26 USC 51 (d) (7), a dislocated worker, as defined in 29 USC 2801 (9), or

a food stamp recipient, if the person has been certified in the manner under sub. (1dj) (am) 3. by a designated local agency, as defined in sub. (1dj) (am) 2.

SECTION 44. 71.47 (1dx) (b) 2. of the statutes is amended to read:

71.47 **(1dx)** (b) 2. The amount determined by multiplying the amount determined under s. 238.385 (1) (b) or s. 560.785 (1) (b), 2009 stats., by the number of full–time jobs created in a development zone and filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and reimbursements paid under s. 49.147 (3m) (c)~~ for those jobs.

SECTION 45. 71.47 (1dx) (b) 3. of the statutes is amended to read:

71.47 **(1dx)** (b) 3. The amount determined by multiplying the amount determined under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number of full–time jobs created in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and reimbursements paid under s. 49.147 (3m) (c)~~ for those jobs.

SECTION 46. 71.47 (1dx) (b) 4. of the statutes is amended to read:

71.47 **(1dx)** (b) 4. The amount determined by multiplying the amount determined under s. 238.385 (1) (bm) or s. 560.785 (1) (bm), 2009 stats., by the number of full–time jobs retained, as provided in the rules under s. 238.385 or s. 560.785, 2009 stats., excluding jobs for which a credit has been claimed under sub. (1dj), in an enterprise development zone under s. 238.397 or s. 560.797, 2009 stats., and for which significant capital investment was made and by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and reimbursements paid under s. 49.147 (3m) (c)~~ for those jobs.

SECTION 47. 71.47 (1dx) (b) 5. of the statutes is amended to read:

71.47 **(1dx)** (b) 5. The amount determined by multiplying the amount determined under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number of full–time jobs retained, as provided in the rules under s. 238.385 or s. 560.785, 2009 stats., excluding jobs for which a credit has been claimed under sub. (1dj), in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and reimbursements paid under s. 49.147 (3m) (c)~~ for those jobs.

SECTION 48. 76.636 (1) (e) 3. of the statutes is amended to read:

76.636 **(1)** (e) 3. A person who is employed in a trial job, as defined in s. 49.141 (1) (n), 2011 stats., or in a ~~real work, real pay project position under s. 49.147 (3m)~~ trial employment match program job, as defined in s. 49.141 (1) (n).

SECTION 49. 76.636 (2) (b) of the statutes is amended to read:

76.636 **(2)** (b) The amount determined by multiplying the amount determined under s. 238.385 (1) (b) or s. 560.785 (1) (b), 2009 stats., by the number of full–time jobs created in a development zone and filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and reimbursements paid under s. 49.147 (3m) (c)~~ for those jobs.

SECTION 50. 76.636 (2) (c) of the statutes is amended to read:

76.636 **(2)** (c) The amount determined by multiplying the amount determined under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number of full–time jobs created in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and reimbursements paid under s. 49.147 (3m) (c)~~ for those jobs.

SECTION 51. 76.636 (2) (d) of the statutes is amended to read:

76.636 **(2)** (d) The amount determined by multiplying the amount determined under s. 238.385 (1) (bm) or s. 560.785 (1) (bm), 2009 stats., by the number of full–time jobs retained, as provided in the rules under s. 238.385 or s. 560.785, 2009 stats., excluding jobs for which a credit has been claimed under s. 71.47 (1dj), in an enterprise development zone under s. 238.397 or s. 560.797, 2009 stats., and for which significant capital investment was made and by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and reimbursements paid under s. 49.147 (3m) (c)~~ for those jobs.

SECTION 52. 76.636 (2) (e) of the statutes is amended to read:

76.636 **(2)** (e) The amount determined by multiplying the amount determined under s. 238.385 (1) (c) or s. 560.785 (1) (c), 2009 stats., by the number of full–time jobs retained, as provided in the rules under s. 238.385 or s. 560.785, 2009 stats., excluding jobs for which a credit has been claimed under s. 71.47 (1dj), in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) ~~or the subsidies and reimbursements paid under s. 49.147 (3m) (c)~~ for those jobs.

SECTION 53. 102.07 (17m) of the statutes is amended to read:

102.07 **(17m)** A participant in a trial employment match program job under s. 49.147 (3) is an employee of any employer under this chapter for whom the participant is performing service at the time of the injury.

SECTION 54. 227.01 (13) (im) of the statutes is repealed.

SECTION 55. 238.30 (4m) of the statutes is amended to read:

238.30 **(4m)** "Member of a targeted group" means a person who resides in an area designated by the federal government as an economic revitalization area, a person who is employed in an unsubsidized job but meets the eligibility requirements

under s. 49.145 (2) and (3) for a Wisconsin Works employment position, a person who is employed in a trial job, as defined in s. 49.141 (1) (n), 2011 stats., or in a ~~real work, real pay project position under s. 49.147 (3m)~~ trial employment match program job, as defined in s. 49.141 (1) (n), a person who is eligible for child care assistance under s. 49.155, a person who is a vocational rehabilitation referral, an economically disadvantaged youth, an economically disadvantaged veteran, a supplemental security income recipient, a general assistance recipient, an economically disadvantaged ex–convict, a dislocated worker, as defined in 29 USC 2801 (9), or a food stamp recipient, if the person has been certified in the manner under 26 USC 51 (d) (13) (A) by a designated local agency, as defined in 26 USC 51 (d) (12).

SECTION 9306. Initial applicability; Children and Families.

(1) TRIAL EMPLOYMENT MATCH PROGRAM. The treatment of section 49.147 (3) (a), (ac) 1., 2., and 3., (c), and (d) of the statutes first applies to Wisconsin Works participants who are placed in the trial employment match program on the effective date of this subsection.

SECTION 9406. Effective dates; Children and Families.

(1) CHANGES TO WISCONSIN WORKS PROGRAMS. The treatment of sections 49.141 (1) (n), 49.143 (2) (a) 2., 3., 4., 5., and 6. and (2r), 49.147 (1m) (b), (2) (am) 2., (3) (title), (a), (ac) 1., 2., and 3., (am), (c), and (d), (3m), (4) (a) and (b), (4m), and (5) (a) 3., 49.148 (1) (a) and (d), 49.161 (1) (title), 49.173, 49.26 (1) (g) (intro.) and (h) 1s. b., 49.36 (2), 71.07 (2dj) (am) 4h. and (2dx) (a) 5. and (b) 2., 3., 4., and 5., 71.28 (1dj) (am) 4h. and (1dx) (a) 5. and (b) 2., 3., 4., and 5., 71.47 (1dj) (am) 4h. and (1dx) (a) 5. and (b) 2., 3., 4., and 5., 76.636 (1) (e) 3. and (2) (b), (c), (d), and (e), 102.07 (17m), 227.01 (13) (im),

and 238.30 (4m) of the statutes and SECTION 9306 (1) of this act take effect on October 1, 2013, or on the effective date of this subsection, whichever is later.

(END)