

2013 DRAFTING REQUEST

Bill

Received: 10/12/2012 Received By: fknepp
Wanted: As time permits Same as LRB:
For: Administration-Budget 266-7597 By/Representing: Ley
May Contact: Drafter: fknepp
Subject: Econ. Development - tax incentives Addl. Drafters: jkreye

Extra Copies:

Submit via email: YES
Requester's email:
Carbon copy (CC) to: michael.gallagher@legis.wisconsin.gov
fern.knepp@legis.wisconsin.gov
rick.champagne@legis.wisconsin.gov
joseph.kreye@legis.wisconsin.gov

Pre Topic:

DOA:.....Ley, BB0146 -

Topic:

Definition of full time job for WEDC tax programs

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	fknepp 10/30/2012			_____			
/P1	fknepp 11/9/2012	csicilia 11/1/2012	rschluet 11/1/2012	_____	sbasford 11/1/2012		State

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/1		csicilia 11/9/2012	jmurphy 11/9/2012	_____	sbasford 11/9/2012		State

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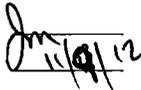
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/P1	jkreye 10/30/2012	csicilia 11/1/2012	11/1/2012		sbasford 11/1/2012		State

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DOA:.....Ley, BB0146 -

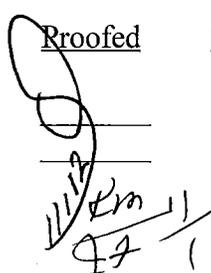
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1?	fknepp	Pl gjs 10/31/12	Pl gjs 11/1/12				

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/?	fknepp			_____			

FE Sent For:

<END>

Knepp, Fern

From: Ley, Emily A - DOA <Emily.Ley@wisconsin.gov>
Sent: Wednesday, October 24, 2012 3:52 PM
To: Knepp, Fern
Subject: RE: Statutory Language Drafting Request
Attachments: WEDC Definition of Full-time Job.docx

Fern,

I am so sorry about how long it's taken me to get back to you. WEDC has had significant turnover in their policy division and it's really slowed down the process. I have two issue papers for you to help clarify WEDC's requests. I found the papers extremely helpful and I hope they help you too.

- 1.) WEDC wants to create an alternative to the 2080 hour rule that can be used in specific circumstances.
- 2.) The minimum qualifying wage is 150% of the federal minimum wage.

I'm going to send the second issue paper on BB0149 next.

Please let me know if you have other questions or if this isn't what you're looking for. I'd be happy to arrange a conference call with WEDC.

Emily

From: Knepp, Fern [<mailto:Fern.Knepp@legis.wisconsin.gov>]
Sent: Monday, October 15, 2012 11:05 AM
To: Ley, Emily A - DOA
Subject: FW: Statutory Language Drafting Request

Good Morning, Emily.

I have two quick questions about this request. First, is the intent to create an alternative to the 2080 hour rule that recognizes a position that earns certain wages and receives full-time benefits or is the intent to replace the 2080 hour rule? For sample language that illustrates the alternative idea see 2011 SB 477 (did not pass). That bill expands the exceptions to the general 2080 hour rule to allow WEDC to acknowledge positions that receive full-time benefits. Second, does "minimum qualifying wage" mean "minimum federal wage"? If not, what does "qualifying" refer to?

Thanks,
Fern

From: Hanaman, Cathlene
Sent: Monday, October 08, 2012 8:56 AM
To: Gallagher, Michael; Knepp, Fern
Subject: FW: Statutory Language Drafting Request

From: Emily.Ley@wisconsin.gov [<mailto:Emily.Ley@wisconsin.gov>]
Sent: Friday, October 05, 2012 11:46 AM
To: Hanaman, Cathlene
Cc: Thornton, Scott - DOA; Frederick, Caitlin - DOA
Subject: Statutory Language Drafting Request

Biennial Budget: 2013-15

Topic: Modify the definition of "full-time" Job

Tracking Code: BB0146

SBO Team: TLGED

SBO Analyst: Ley, Emily - DOA

Phone: 608-266-7597

E-mail: Emily.Ley@wisconsin.gov

Agency Acronym: WEDC

Agency Number: 192

Priority: Medium

Intent: Modify the statutory definition of full time job from 2,080 work hours per year to recognize a position working fewer than 40 hours per week as full-time if the total annual pay for the position is commensurate with what would be earned by a position earning the minimum qualifying wage and working 2,080 hours per year. To qualify, the position would also need to receive the same benefits offered to one required to work 2,080 hours, that is, full-time benefits.

Attachments: True

Please send completed drafts to statlanguage@wisapps.wi.gov

Wisconsin Economic Development Corporation

2013/15 Biennial Budget

Tax Credit Programs - Definition of "Full-Time Job"

The Wisconsin Economic Development Corporation (WEDC) proposes a modification in the statutory definition of the term "full-time job" as it is used for purposes of administering the jobs tax credit program, the economic development tax credit program, the development opportunity zone tax credit program and the enterprise zone tax credit program.

Background

WEDC currently administers several tax credit programs used to incent and support projects that help create or retain jobs. Under current law, each of the programs defines a "full-time job" as one in which an individual must work 2,080 hours per year as a condition of his or her employment. The WEDC is authorized, under current law, to make an exception to this requirement for individuals required to work not less than 37.5 hours per week.

Wisconsin, like many states, offers public support for business projects that have a favorable impact on employment. These policies generally target good quality jobs, that is, those that are full-time, represent permanent rather than seasonal or transitory employment, pay above a specified annual or hourly wage, and receive benefits beyond those required by federal or state law. The 2,080 hour standard has long been associated with full-time employment. It reflected the traditional 40-hour work week prevalent in the U.S., often serving as a de facto threshold required to be met by employees to qualify for a full range of employment benefits. It also prevented employers from receiving benefits in situations where reduced work hours were used to justify withholding full-time benefits to employees.

In more recent years, deviations from the 40-hour work week have become commonplace, reflecting the needs and wishes of both employers and employees. The provision in current law authorizing the recognition of a 37.5-hour work week is an acknowledgement of changing circumstances. And, while it represents a slight improvement, in the end, it merely replaces one rigid standard with another.

As flexible work schedules gain increasing favor, Wisconsin's strict adherence to this outdated standard could become an obstacle to aiding good job creation and retention projects. The proposed language offers an alternative approach that will offer considerably more flexibility while maintaining the focus on high quality jobs.

Modify the Definition of "Full-Time Job"

The proposed change would authorize an exception to the 2,080 hour standard under specific circumstances. An exception could be granted for a position required to work less than 2,080 hours per year, provided the annual pay for the position is at least equal to the amount of pay that would be earned by a person working 2,080 hours at the minimum qualifying wage of 150% of the federal

minimum wage. The position would also need to be offered the same level of benefits as those made available to persons required to work 2080 hours, that is, full-time benefits.

Essentially, the proposal maintains current standards with respect to job quality (wages and benefits) even as it recognizes evolving conditions in work schedules.



State of Wisconsin
2013 - 2014 LEGISLATURE



LRB-0367/P1

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95

DOA:.....Ley, BB0146 - Definition of full time job for WEDC tax programs

FOR 2013-2015 BUDGET — NOT READY FOR INTRODUCTION

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m 10-30-12

Do NOT Gen

1 AN ACT...; relating to: the budget.

Analysis by the Legislative Reference Bureau
COMMERCE AND ECONOMIC DEVELOPMENT

✓
✓

ECONOMIC DEVELOPMENT

Under current law, WEDC administers the jobs tax credit, the economic development tax credit, the development opportunity zone tax credit, and the enterprise zone tax credit (tax credit programs). Under current law, each of the tax credit programs defines "full-time job" as a job in which an individual must work at least 2,080 hours per year as a condition of his or her employment. However, for purposes of the enterprise zone tax credit program, the development opportunity zone tax credit, and the economic development tax credit program, WEDC is authorized to make an exception to the 2,080 hour requirement for an individual who works not less than 37.5 hours per week.

but only

Under this bill, WEDC may make an exception to the 2,080 hours per year requirement under the tax credit programs, including the ~~economic development~~ tax credit program, if the job annually pays at least 2,080 times 150 percent of the federal minimum wage and the job offers full-time benefits.

jobs

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:

1 **SECTION 1.** 71.07 (2dx) (a) 4. of the statutes is amended to read: X

2 71.07 (2dx) (a) 4. ~~“Full-time job” means a regular, nonseasonal full-time~~
3 ~~position in which an individual, as a condition of employment, is required to work at~~
4 ~~least 2,080 hours per year, including paid leave and holidays, and for which the~~
5 ~~individual receives pay that is equal to at least 150% of the federal minimum wage~~
6 ~~and receives benefits that are not required by federal or state law. “Full-time job”~~
7 ~~does not include initial training before an employment position begins has the~~
8 ~~meaning given in s. 238.30 (2m).~~

History: 1987 a. 312; 1987 a. 411 ss. 63, 79 to 82, 85, 86; 1987 a. 419, 422; 1989 a. 31, 44, 56, 100, 359; 1991 a. 39, 269, 292; 1993 a. 16, 112, 204, 471, 491; 1995 a. 27 ss. 337m to 3393m, 9116 (5); 1995 a. 209, 227, 400, 453; 1997 a. 27, 41, 237, 299; 1999 a. 5, 9, 10, 32; 1999 a. 150 s. 672; 1999 a. 198; 2001 a. 16, 109; 2003 a. 72, 99, 135, 183, 255, 267, 326; 2005 a. 25, 49, 72, 74, 97, 177, 254, 361, 387, 479, 483, 487; 2007 a. 11, 20, 96, 97, 100; 2009 a. 2, 11, 28, 180, 185, 265, 267, 269, 276, 294, 295, 332, 401; 2011 a. 15, 32, 67, 212, 213, 232, 237; 2011 a. 260 s. 80; s. 35.17 correction in (2dt) (a), (5n) (a) (intro).

9 **SECTION 2.** 71.28 (1dx) (a) 4. of the statutes is amended to read: X

10 71.28 (1dx) (a) 4. ~~“Full-time job” means a regular, nonseasonal full-time~~
11 ~~position in which an individual, as a condition of employment, is required to work at~~
12 ~~least 2,080 hours per year, including paid leave and holidays, and for which the~~
13 ~~individual receives pay that is equal to at least 150% of the federal minimum wage~~
14 ~~and receives benefits that are not required by federal or state law. “Full-time job”~~
15 ~~does not include initial training before an employment position begins has the~~
16 ~~meaning given in s. 238.30 (2m).~~

History: 1987 a. 312; 1987 a. 411 ss. 88, 130 to 139; 1987 a. 422; 1989 a. 31, 44, 56, 100, 336, 359; 1991 a. 39, 292; 1993 a. 16, 112, 232, 491; 1995 a. 2; 1995 a. 27 ss. 3399r to 3404c, 9116 (5); 1995 a. 209, 227; 1997 a. 27, 41, 237, 299; 1999 a. 5, 9; 2001 a. 16; 2003 a. 72, 99, 135, 255, 267, 326; 2005 a. 25, 74, 97, 361, 387, 452, 479, 483, 487; 2007 a. 20, 96, 97, 100; 2009 a. 2, 11, 28, 180, 185, 265, 267, 269, 276, 294, 295, 332, 401; 2011 a. 3, 15, 32, 67, 212, 213, 232, 237; 2011 a. 260 s. 80; s. 35.17 correction in (1dm) (a) 1.

17 **SECTION 3.** 71.47 (1dx) (a) 4. of the statutes is amended to read:

18 71.47 (1dx) (a) 4. ~~“Full-time job” means a regular, nonseasonal full-time~~
19 ~~position in which an individual, as a condition of employment, is required to work at~~
20 ~~least 2,080 hours per year, including paid leave and holidays, and for which the~~
21 ~~individual receives pay that is equal to at least 150% of the federal minimum wage~~
22 ~~and receives benefits that are not required by federal or state law. “Full-time job”~~

1 ~~does not include initial training before an employment position begins~~ has the
2 meaning given in s. 238.30 (2m).

History: 1987 a. 312, 411, 422; 1989 a. 31, 44, 56, 100, 336, 359; 1991 a. 39, 292, 315; 1993 a. 16, 112; 1995 a. 27 ss. 3407m to 3412m, 9116 (5); 1995 a. 209, 227, 417; 1997 a. 27, 41, 237, 299; 1999 a. 5, 9; 2001 a. 16; 2003 a. 72, 99, 135, 255, 267, 326; 2005 a. 25, 74, 97, 361, 387, 452, 479, 483, 487; 2007 a. 20, 96, 97, 100; 2009 a. 2, 11, 28, 180, 185, 265, 267, 269, 276, 294, 295, 332, 401; 2011 a. 3, 15, 32, 67, 212, 213, 232, 237; 2011 a. 260 ss. 80, 81.

3 SECTION 4. 76.636 (1) (d) of the statutes is amended to read:

4 76.636 (1) (d) "Full-time job" means a regular, nonseasonal, full-time position
5 in which an individual, as a condition of employment, is required to work at least
6 2,080 hours per year, including paid leave and holidays, and for which the individual
7 receives pay that is equal to at least 150 percent of the federal minimum wage and
8 receives benefits that are not required by federal or state law. "Full-time job" does
9 not include initial training before an employment position begins has the meaning
10 given in s. 238.30 (2m).

History: 2005 a. 259; 2007 a. 20, 97; 2009 a. 180; 2011 a. 32.

11 SECTION 5. 238.16 (1) (c) of the statutes is renumbered 238.16 (1) (c) 1. and
12 amended to read:

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typed*

13

13 238.16 (1) (c) 1. Full-time Except as provided in subd. 2, "full-time job" means
14 a regular, nonseasonal full-time position in which an individual, as a condition of
15 employment, is required to work at least 2,080 hours per year, including paid leave
16 and holidays, and for which the individual receives pay that is equal to at least 150
17 percent of the federal minimum wage and benefits that are not required by federal
18 or state law. "Full-time job" does not include initial training before an employment
19 position begins.

History: *2009 a. 28, 265; 2011 a. 32 ss. 2864, 3357 to 3366; Stats. 2011 s. 238.16; 2011 a. 88.

20 SECTION 6. 238.16 (1) (c) 2. of the statutes is created to read:

21 238.16 (1) (c) 2. The corporation may grant exceptions to the requirement
22 under subd. 1. that a full-time job means a position in which an individual, as a

1 condition of employment, is required to work at least 2,080 hours per year if all of the
2 following apply:

3 a. The annual pay for the position is more than the amount determined by
4 multiplying 2,080 by 150 percent of the federal minimum wage.

5 b. An individual in the position is offered retirement, health, and other benefits
6 that are equivalent to the retirement, health, and other benefits offered to an
7 individual who is required to work at least 2,080 hours per year.

8 SECTION 7. 238.30 (intro.) of the statutes is amended to read:

9 238.30 Definitions. (intro.) In this section and ss. ~~238.31~~ 238.301 to 238.395:

****NOTE: This is a technical change. It appears that this cross-reference was not
changed when ss. 238.301 to 238.306 were added to the statutes. If this was not an error
and these definitions are not intended to apply to ss. 238.30 to 238.306, please let me
know.

2 301

History: 1987 a. 328, 411; 1991 a. 39; 1995 a. 27, 209; 1997 a. 27; 1999 a. 9; 2001 a. 16; 2005 a. 259; 2009 a. 2, 28; 2011 a. 32 ss. 3408 to 3409; Stats. 2011 s. 238.30; 2011
a. 37 s. 1; s. 13.92 (2) (i).

10 SECTION 8. 238.30 (2m) (b) of the statutes is renumbered 238.30 (2m) (b) (intro.)

11 and amended to read: (intro.)

12 238.30 (2m) (b) (intro.) ~~The corporation may adopt a rule specifying circumstances~~
13 ~~under which the corporation may grant exceptions to the requirement under par. (a)~~
14 ~~that a full-time job means a job position in which an individual, as a condition of~~
15 ~~employment, is required to work at least 2,080 hours per year, but under no~~
16 ~~circumstances may a full-time job mean a job in which an individual, as a condition~~
17 ~~of employment, is required to work less than 37.5 hours per week. if all of the~~
18 following apply:

History: 1987 a. 328, 411; 1991 a. 39; 1995 a. 27, 209; 1997 a. 27; 1999 a. 9; 2001 a. 16; 2005 a. 259; 2009 a. 2, 28; 2011 a. 32 ss. 3408 to 3409; Stats. 2011 s. 238.30; 2011
a. 37 s. 1; s. 13.92 (2) (i).

19 SECTION 9. 238.30 (2m) (b) 1. of the statutes is created to read:

20 238.30 (2m) (b) 1. The annual pay for the position is more than the amount
21 determined by multiplying 2,080 by 150 percent of the federal minimum wage.

9) ~~NOTE~~ NOTE: Does WEDC want to maintain its flexibility under
S, 238. 395 (2)(b) and (c) to adopt policies and procedures under which
WEDC may make exceptions to the wage and hour requirements under
this subsection?

1 **SECTION 10.** 238.30 (2m) (b) 2. of the statutes is created to read:

2 238.30 (2m) (b) 2. An individual in the position is offered retirement, health,
3 and other benefits that are equivalent to the retirement, health, and other benefits
4 offered to an individual who is required to work at least 2,080 hours per year.

5 **SECTION 11.** 238.399 (1) (am) 2. of the statutes is renumbered 238.399 (1) (am)
6 2. (intro.) and amended to read:

7 238.399 (1) (am) 2. ^(intro.) ~~The corporation may by rule specify circumstances under~~
8 ~~which the corporation may grant exceptions to the requirement under subd. 1. that~~
9 ~~a full-time employee means an individual who, as a condition of employment, is~~
10 ~~required to work at least 2,080 hours per year, but under no circumstances may a~~
11 ~~full-time employee mean an individual who, as a condition of employment, is~~
12 ~~required to work less than 37.5 hours per week. if all of the following apply:~~

History: 2005 a. 361; 2007 a. 20, 97, 100; 2009 a. 11, 28, 266, 267; 2011 a. 26; 2011 a. 32 s. 3437; Stats. 2011 s. 238.399; s. 13.92 (1) (bm) 2., (2) (i).

13 **SECTION 12.** 238.399 (1) (am) 2. a. of the statutes is created to read:

14 238.399 (1) (am) 2. a. The individual is employed in a job for which the annual
15 pay ^{is} ~~that~~ is more than the amount determined by multiplying 2,080 by 150 percent
16 of the federal minimum wage.

17 **SECTION 13.** 238.399 (1) (am) 2. b. of the statutes is created to read:

18 238.399 (1) (am) 2. b. The individual is offered retirement, health, and other
19 benefits that are equivalent to the retirement, health, and other benefits offered to
20 an individual who is required to work at least 2,080 hours per year.

21 **SECTION 9350. Initial applicability; Wisconsin Economic Development**
22 **Corporation.**

23 (1) DEFINITION OF "FULL-TIME" UNDER CERTAIN TAX CREDIT PROGRAMS. The
24 renumbering and amendment of sections 238.16 (1) (c), 238.30 (2m) (b), and 238.399

1 (1) (am) 2. of the statutes, the amendment of sections 71.07 (2dx) (a) 4., 71.28 (1dx)
2 (a) 4., 71.47 (1dx) (a) 4., and 76.636 (1) (d) of the statutes, and the creation of sections
3 238.16 (1) (c) 2., 238.30 (2m) (b) 1., 238.30 (2m) (b) 2., 238.399 (1) (am) 2. a., and
4 238.399 (1) (am) 2. b. of the statutes first apply to taxable years beginning on January
5 1, 2013.

6 (END)



Knepp, Fern

From: Ley, Emily A - DOA <Emily.Ley@wisconsin.gov>
Sent: Friday, November 09, 2012 9:17 AM
To: Knepp, Fern
Subject: RE: BB0146 Full Time Job Definition

Hi Fern,

Thanks for asking. There is no rush on this draft - I think we could wait until after I brief the Governor and we have more direction on the request. That said, I think this one is likely to pass so if you want to get it off your desk, I'd be happy to take it.

I tentatively brief next week (but the schedule keeps moving) so I'll email with updates on all the WEDC drafts assigned to you once I have more direction. Thanks for all your help on these drafts,

Emily

From: Knepp, Fern [<mailto:Fern.Knepp@legis.wisconsin.gov>]
Sent: Friday, November 09, 2012 9:10 AM
To: Ley, Emily A - DOA
Subject: RE: BB0146 Full Time Job Definition

Emily:

Would you like me to take the notes out and get you a clean /1 of the draft?

Thanks,
Fern

From: Ley, Emily A - DOA [<mailto:Emily.Ley@wisconsin.gov>]
Sent: Friday, November 09, 2012 8:58 AM
To: Knepp, Fern
Subject: BB0146 Full Time Job Definition

Good morning Fern,

To address your notes in the draft of BB0146 Full time Job Definition, WEDC would like to keep s. 238.385 (2) (b) and (c) to maintain the flexibility to adopt policies and procedures under which WEDC may make exceptions to the wage and hour requirements.

Your technical correction to s. 238.30 Definitions, expanding the definitions to apply 238.301 to 238.306, is correct. Thanks for catching that!

Emily Ley
Executive Policy & Budget Analyst
Department of Administration
Division of Executive Budget and Finance
(608)-266-7597
emily.ley@wisconsin.gov



State of Wisconsin
2013 - 2014 LEGISLATURE



LRB-0367(P1) 1
FFK&JK:cjs:rs
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stays

RMK

In 11-9-2012

DOA:.....Ley, BB0146 – Definition of full time job for WEDC tax programs

FOR 2013-2015 BUDGET – NOT READY FOR INTRODUCTION

Do NOT con

1 AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau
COMMERCE AND ECONOMIC DEVELOPMENT

ECONOMIC DEVELOPMENT

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Under this bill, WEDC may make an exception to the 2,080 hours per year requirement under the tax credit programs, including the jobs tax credit program, but only if the job annually pays at least 2,080 times 150 percent of the federal minimum wage and the job offers full-time benefits.

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:

1 **SECTION 1.** 71.07 (2dx) (a) 4. of the statutes is amended to read:

2 71.07 (2dx) (a) 4. ~~“Full-time job” means a regular, nonseasonal full-time~~
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7 ~~does not include initial training before an employment position begins has the~~
8 ~~meaning given in s. 238.30 (2m).~~

9 **SECTION 2.** 71.28 (1dx) (a) 4. of the statutes is amended to read:

10 71.28 (1dx) (a) 4. ~~“Full-time job” means a regular, nonseasonal full-time~~
11 ~~position in which an individual, as a condition of employment, is required to work at~~
12 ~~least 2,080 hours per year, including paid leave and holidays, and for which the~~
13 ~~individual receives pay that is equal to at least 150% of the federal minimum wage~~
14 ~~and receives benefits that are not required by federal or state law. “Full-time job”~~
15 ~~does not include initial training before an employment position begins has the~~
16 ~~meaning given in s. 238.30 (2m).~~

17 **SECTION 3.** 71.47 (1dx) (a) 4. of the statutes is amended to read:

18 71.47 (1dx) (a) 4. ~~“Full-time job” means a regular, nonseasonal full-time~~
19 ~~position in which an individual, as a condition of employment, is required to work at~~
20 ~~least 2,080 hours per year, including paid leave and holidays, and for which the~~
21 ~~individual receives pay that is equal to at least 150% of the federal minimum wage~~
22 ~~and receives benefits that are not required by federal or state law. “Full-time job”~~
23 ~~does not include initial training before an employment position begins has the~~
24 ~~meaning given in s. 238.30 (2m).~~

25 **SECTION 4.** 76.636 (1) (d) of the statutes is amended to read:

1 76.636 (1) (d) “Full-time job” means a regular, nonseasonal, full-time position
2 in which an individual, as a condition of employment, is required to work at least
3 2,080 hours per year, including paid leave and holidays, and for which the individual
4 receives pay that is equal to at least 150 percent of the federal minimum wage and
5 receives benefits that are not required by federal or state law. “Full-time job” does
6 not include initial training before an employment position begins has the meaning
7 given in s. 238.30 (2m).

8 **SECTION 5.** 238.16 (1) (c) of the statutes is renumbered 238.16 (1) (c) 1. and
9 amended to read:

10 238.16 (1) (c) 1. ~~“Full-time~~ Except as provided in subd. 2., “full-time” means
11 a regular, nonseasonal full-time position in which an individual, as a condition of
12 employment, is required to work at least 2,080 hours per year, including paid leave
13 and holidays, and for which the individual receives pay that is equal to at least 150
14 percent of the federal minimum wage and benefits that are not required by federal
15 or state law. “Full-time job” does not include initial training before an employment
16 position begins.

17 **SECTION 6.** 238.16 (1) (c) 2. of the statutes is created to read:

18 238.16 (1) (c) 2. The corporation may grant exceptions to the requirement
19 under subd. 1. that a full-time job means a position in which an individual, as a
20 condition of employment, is required to work at least 2,080 hours per year if all of the
21 following apply:

22 a. The annual pay for the position is more than the amount determined by
23 multiplying 2,080 by 150 percent of the federal minimum wage.

1 b. An individual in the position is offered retirement, health, and other benefits
2 that are equivalent to the retirement, health, and other benefits offered to an
3 individual who is required to work at least 2,080 hours per year.

4 **SECTION 7.** 238.30 (intro.) of the statutes is amended to read:

5 **238.30 Definitions.** (intro.) In this section and ss. ~~238.31~~ 238.301 to 238.395:

****NOTE: This is a technical change. It appears that this cross-reference was not
changed when ss. 238.301 to 238.306 were added to the statutes. If this was not an error
and these definitions are not intended to apply to ss. 238.301 to 238.306, please let me
know.

6 **SECTION 8.** 238.30 (2m) (b) of the statutes is renumbered 238.30 (2m) (b) (intro.)

7 and amended to read:

8 238.30 (2m) (b) (intro.) The corporation ~~may adopt a rule specifying~~
9 ~~circumstances under which the corporation may grant exceptions to the requirement~~
10 ~~under par. (a) that a full-time job means a job position in which an individual, as a~~
11 ~~condition of employment, is required to work at least 2,080 hours per year, but under~~
12 ~~no circumstances may a full-time job mean a job in which an individual, as a~~
13 ~~condition of employment, is required to work less than 37.5 hours per week. if all of~~
14 the following apply:

****NOTE: Does WEDC want to maintain its flexibility under s. 238.385 (2) (b) and
(c) to adopt policies and procedures under which WEDC may make exceptions to the wage
and hour requirements under this subsection?

15 **SECTION 9.** 238.30 (2m) (b) 1. of the statutes is created to read:

16 238.30 (2m) (b) 1. The annual pay for the position is more than the amount
17 determined by multiplying 2,080 by 150 percent of the federal minimum wage.

18 **SECTION 10.** 238.30 (2m) (b) 2. of the statutes is created to read:

19 238.30 (2m) (b) 2. An individual in the position is offered retirement, health,
20 and other benefits that are equivalent to the retirement, health, and other benefits
21 offered to an individual who is required to work at least 2,080 hours per year.

1 **SECTION 11.** 238.399 (1) (am) 2. of the statutes is renumbered 238.399 (1) (am)
2 2. (intro.) and amended to read:

3 238.399 (1) (am) 2. (intro.) The corporation ~~may by rule specify circumstances~~
4 ~~under which the corporation may grant exceptions to the requirement under subd.~~
5 1. that a full-time employee means an individual who, as a condition of employment,
6 is required to work at least 2,080 hours per year, ~~but under no circumstances may~~
7 ~~a full-time employee mean an individual who, as a condition of employment, is~~
8 ~~required to work less than 37.5 hours per week.~~ if all of the following apply:

9 **SECTION 12.** 238.399 (1) (am) 2. a. of the statutes is created to read:

10 238.399 (1) (am) 2. a. The individual is employed in a job for which the annual
11 pay is more than the amount determined by multiplying 2,080 by 150 percent of the
12 federal minimum wage.

13 **SECTION 13.** 238.399 (1) (am) 2. b. of the statutes is created to read:

14 238.399 (1) (am) 2. b. The individual is offered retirement, health, and other
15 benefits that are equivalent to the retirement, health, and other benefits offered to
16 an individual who is required to work at least 2,080 hours per year.

17 **SECTION 9350. Initial applicability; Wisconsin Economic Development**
18 **Corporation.**

19 (1) DEFINITION OF “FULL-TIME” UNDER CERTAIN TAX CREDIT PROGRAMS. The
20 renumbering and amendment of sections 238.16 (1) (c), 238.30 (2m) (b), and 238.399
21 (1) (am) 2. of the statutes, the amendment of sections 71.07 (2dx) (a) 4., 71.28 (1dx)
22 (a) 4., 71.47 (1dx) (a) 4., and 76.636 (1) (d) of the statutes, and the creation of sections
23 238.16 (1) (c) 2., 238.30 (2m) (b) 1., 238.30 (2m) (b) 2., 238.399 (1) (am) 2. a., and

1 238.399 (1) (am) 2. b. of the statutes first apply to taxable years beginning on January
2 1, 2013.

3 (END)



State of Wisconsin
2013 - 2014 LEGISLATURE



LRB-0367/1
FFK&JK:cjs:jm

DOA:.....Ley, BB0146 – Definition of full time job for WEDC tax programs
FOR 2013-2015 BUDGET – NOT READY FOR INTRODUCTION

1 **AN ACT ...; relating to:** the budget.

Analysis by the Legislative Reference Bureau
COMMERCE AND ECONOMIC DEVELOPMENT

ECONOMIC DEVELOPMENT

Under current law, WEDC administers the jobs tax credit, the economic development tax credit, the development opportunity zone tax credit, and the enterprise zone tax credit (tax credit programs). Under current law, each of the tax credit programs defines “full-time job” as a job in which an individual must work at least 2,080 hours per year as a condition of his or her employment. However, for purposes of the enterprise zone tax credit program, the development opportunity zone tax credit, and the economic development tax credit program, WEDC is authorized to make an exception to the 2,080 hour requirement for an individual who works not less than 37.5 hours per week.

Under this bill, WEDC may make an exception to the 2,080 hours per year requirement under the tax credit programs, including the jobs tax credit program, but only if the job annually pays at least 2,080 times 150 percent of the federal minimum wage and the job offers full-time benefits.

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:

1 **SECTION 1.** 71.07 (2dx) (a) 4. of the statutes is amended to read:

2 71.07 (2dx) (a) 4. “Full-time job” means a regular, nonseasonal full-time
3 position in which an individual, as a condition of employment, is required to work at
4 least 2,080 hours per year, including paid leave and holidays, and for which the
5 individual receives pay that is equal to at least 150% of the federal minimum wage
6 and receives benefits that are not required by federal or state law. “Full-time job”
7 does not include initial training before an employment position begins has the
8 meaning given in s. 238.30 (2m).

9 **SECTION 2.** 71.28 (1dx) (a) 4. of the statutes is amended to read:

10 71.28 (1dx) (a) 4. “Full-time job” means a regular, nonseasonal full-time
11 position in which an individual, as a condition of employment, is required to work at
12 least 2,080 hours per year, including paid leave and holidays, and for which the
13 individual receives pay that is equal to at least 150% of the federal minimum wage
14 and receives benefits that are not required by federal or state law. “Full-time job”
15 does not include initial training before an employment position begins has the
16 meaning given in s. 238.30 (2m).

17 **SECTION 3.** 71.47 (1dx) (a) 4. of the statutes is amended to read:

18 71.47 (1dx) (a) 4. “Full-time job” means a regular, nonseasonal full-time
19 position in which an individual, as a condition of employment, is required to work at
20 least 2,080 hours per year, including paid leave and holidays, and for which the
21 individual receives pay that is equal to at least 150% of the federal minimum wage
22 and receives benefits that are not required by federal or state law. “Full-time job”
23 does not include initial training before an employment position begins has the
24 meaning given in s. 238.30 (2m).

25 **SECTION 4.** 76.636 (1) (d) of the statutes is amended to read:

1 76.636 (1) (d) ~~“Full-time job” means a regular, nonseasonal, full-time position~~
2 ~~in which an individual, as a condition of employment, is required to work at least~~
3 ~~2,080 hours per year, including paid leave and holidays, and for which the individual~~
4 ~~receives pay that is equal to at least 150 percent of the federal minimum wage and~~
5 ~~receives benefits that are not required by federal or state law. “Full-time job” does~~
6 ~~not include initial training before an employment position begins~~ has the meaning
7 given in s. 238.30 (2m).

8 **SECTION 5.** 238.16 (1) (c) of the statutes is renumbered 238.16 (1) (c) 1. and
9 amended to read:

10 238.16 (1) (c) 1. ~~“Full-time~~ Except as provided in subd. 2., “full-time job” means
11 a regular, nonseasonal full-time position in which an individual, as a condition of
12 employment, is required to work at least 2,080 hours per year, including paid leave
13 and holidays, and for which the individual receives pay that is equal to at least 150
14 percent of the federal minimum wage and benefits that are not required by federal
15 or state law. “Full-time job” does not include initial training before an employment
16 position begins.

17 **SECTION 6.** 238.16 (1) (c) 2. of the statutes is created to read:

18 238.16 (1) (c) 2. The corporation may grant exceptions to the requirement
19 under subd. 1. that a full-time job means a position in which an individual, as a
20 condition of employment, is required to work at least 2,080 hours per year if all of the
21 following apply:

22 a. The annual pay for the position is more than the amount determined by
23 multiplying 2,080 by 150 percent of the federal minimum wage.

SECTION 6

1 b. An individual in the position is offered retirement, health, and other benefits
2 that are equivalent to the retirement, health, and other benefits offered to an
3 individual who is required to work at least 2,080 hours per year.

4 **SECTION 7.** 238.30 (intro.) of the statutes is amended to read:

5 **238.30 Definitions.** (intro.) In this section and ss. ~~238.31~~ 238.301 to 238.395:

6 **SECTION 8.** 238.30 (2m) (b) of the statutes is renumbered 238.30 (2m) (b) (intro.)
7 and amended to read:

8 238.30 **(2m)** (b) (intro.) The corporation ~~may adopt a rule specifying~~
9 ~~circumstances under which the corporation~~ may grant exceptions to the requirement
10 under par. (a) that a full-time job means a job position in which an individual, as a
11 condition of employment, is required to work at least 2,080 hours per year, ~~but under~~
12 ~~no circumstances may a full-time job mean a job in which an individual, as a~~
13 ~~condition of employment, is required to work less than 37.5 hours per week. if all of~~
14 the following apply:

15 **SECTION 9.** 238.30 (2m) (b) 1. of the statutes is created to read:

16 238.30 **(2m)** (b) 1. The annual pay for the position is more than the amount
17 determined by multiplying 2,080 by 150 percent of the federal minimum wage.

18 **SECTION 10.** 238.30 (2m) (b) 2. of the statutes is created to read:

19 238.30 **(2m)** (b) 2. An individual in the position is offered retirement, health,
20 and other benefits that are equivalent to the retirement, health, and other benefits
21 offered to an individual who is required to work at least 2,080 hours per year.

22 **SECTION 11.** 238.399 (1) (am) 2. of the statutes is renumbered 238.399 (1) (am)
23 2. (intro.) and amended to read:

24 238.399 **(1)** (am) 2. (intro.) The corporation ~~may by rule specify circumstances~~
25 ~~under which the corporation~~ may grant exceptions to the requirement under subd.

1 1. that a full-time employee means an individual who, as a condition of employment,
2 is required to work at least 2,080 hours per year, ~~but under no circumstances may~~
3 ~~a full-time employee mean an individual who, as a condition of employment, is~~
4 ~~required to work less than 37.5 hours per week.~~ if all of the following apply:

5 **SECTION 12.** 238.399 (1) (am) 2. a. of the statutes is created to read:

6 238.399 (1) (am) 2. a. The individual is employed in a job for which the annual
7 pay is more than the amount determined by multiplying 2,080 by 150 percent of the
8 federal minimum wage.

9 **SECTION 13.** 238.399 (1) (am) 2. b. of the statutes is created to read:

10 238.399 (1) (am) 2. b. The individual is offered retirement, health, and other
11 benefits that are equivalent to the retirement, health, and other benefits offered to
12 an individual who is required to work at least 2,080 hours per year.

13 **SECTION 9350. Initial applicability; Wisconsin Economic Development**
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16 renumbering and amendment of sections 238.16 (1) (c), 238.30 (2m) (b), and 238.399
17 (1) (am) 2. of the statutes, the amendment of sections 71.07 (2dx) (a) 4., 71.28 (1dx)
18 (a) 4., 71.47 (1dx) (a) 4., and 76.636 (1) (d) of the statutes, and the creation of sections
19 238.16 (1) (c) 2., 238.30 (2m) (b) 1., 238.30 (2m) (b) 2., 238.399 (1) (am) 2. a., and
20 238.399 (1) (am) 2. b. of the statutes first apply to taxable years beginning on January
21 1, 2013.

22 (END)