

Fiscal Estimate - 2021 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 21-5969/1	Introduction Number AB-0973	
Description apprenticeship and youth apprenticeship completion awards, career and technical education incentive grants and completion awards, technical preparation programs in school districts and technical colleges, creating an individual income tax subtraction for expenses paid for apprenticeship programs, and making an appropriation		
Fiscal Effect State: <input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input checked="" type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs		
Local: <input type="checkbox"/> No Local Government Costs <input checked="" type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs 3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 5. Types of Local Government Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input checked="" type="checkbox"/> School Districts <input checked="" type="checkbox"/> WTCS Districts		
Fund Sources Affected Affected Ch. 20 Appropriations <input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.445 (1) (a), (bm), (bz), and (dr)		
Agency/Prepared By	Authorized Signature	Date
DWD/ Thomas Goodwyn (608) 267-9058	Danielle Williams (608) 266-2284	2/14/2022

Fiscal Estimate Narratives

DWD 2/14/2022

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Assumptions Used in Arriving at Fiscal Estimate

This bill expands apprenticeship and technical education programs, creates an individual income tax subtraction for expenses paid for apprenticeship programs, adds construction work together with first responders as work areas that are not required to be identified as having a workforce shortage to be eligible for Career and Technical Education incentive grants, and increases funding for the Apprenticeship Completion Award Program and for Career and Technical Education incentive grants in state fiscal year (SFY) 23.

The bill provisions to expand the Apprenticeship Completion Award Program (ACAP) and add an award program for Youth Apprenticeships (YACAP) are estimated to have a fiscal impact to department operations of \$327,000 for one-time IT systems modifications and \$65,400 in ongoing annual maintenance costs. Systems modifications include functionality to allow documents that support the eligibility of claims to be uploaded and verified. Additionally, DWD estimates \$149,100 in ongoing staff support costs equal to 1.5 positions to administer the expansions to ACAP and the addition of YACAP. Ongoing staff work is needed to process reimbursements and ensure that paid expenses are eligible and accurate, which will include developing and maintaining rules, processes and procedures for submission and reimbursement of claims, and performing and supporting audit activities. It is projected that the estimated operations costs can be absorbed within existing appropriations.

DWD anticipates having one-time indeterminate implementation costs related to outreach, communication, and revisions to administrative rules relating to apprenticeships. The bill's definition of employers within YACAP, a reference to s. 106.13 (3m) (b) 1, may need clarification as to which employers are eligible to receive reimbursements for expenses.

The fiscal effect for local governments concerns school districts and the Wisconsin Technical College System. The bill adds apprenticeship as a technical preparation program under s. 38.04 and requires the technical college board to facilitate dual enrollment programs between school boards and technical college district boards for apprenticeship courses. The implementation costs for these changes are indeterminate. In addition, school districts may currently bear some of the costs of the programs proposed to be expanded under this bill, but the amount of costs and whether the bill's provisions will increase or decrease costs is indeterminate at this time.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2021 Session

Detailed Estimate of Annual Fiscal Effect

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Description apprenticeship and youth apprenticeship completion awards, career and technical education incentive grants and completion awards, technical preparation programs in school districts and technical colleges, creating an individual income tax subtraction for expenses paid for apprenticeship programs, and making an appropriation		
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): \$327,000		
II. Annualized Costs:	Annualized Fiscal Impact on funds from:	
	Increased Costs	Decreased Costs
A. State Costs by Category		
State Operations - Salaries and Fringes	\$	\$
(FTE Position Changes)		
State Operations - Other Costs	214,500	
Local Assistance		
Aids to Individuals or Organizations		
TOTAL State Costs by Category	\$214,500	\$
B. State Costs by Source of Funds		
GPR	214,500	
FED		
PRO/PRS		
SEG/SEG-S		
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)		
	Increased Rev	Decreased Rev
GPR Taxes	\$	\$
GPR Earned		
FED		
PRO/PRS		
SEG/SEG-S		
TOTAL State Revenues	\$	\$
NET ANNUALIZED FISCAL IMPACT		
	<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS	\$214,500	\$

NET CHANGE IN REVENUE		\$	\$
Agency/Prepared By	Authorized Signature	Date	
DWD/ Thomas Goodwyn (608) 267-9058	Danielle Williams (608) 266-2284	2/14/2022	