



2013 ASSEMBLY BILL 521

November 22, 2013 – Introduced by Representatives HINTZ, BARCA, CLARK, SMITH, T. LARSON, DOYLE, JORGENSEN, SARGENT, VRUWINK, WACHS, WRIGHT, GOYKE, HEBL, YOUNG, DANOU, OHNSTAD, BILLINGS, RINGHAND and BERCEAU, cosponsored by Senators HARRIS, HANSEN and T. CULLEN. Referred to Committee on Jobs, Economy and Mining.

- 1 **AN ACT to create** 20.192 (1) (b) and 238.18 of the statutes; **relating to:** grants
2 for hiring new employees and making an appropriation.

Analysis by the Legislative Reference Bureau

Under this bill, a business in this state may receive a grant from the Wisconsin Economic Development Corporation (WEDC) based, generally, on the increase of the number of full-time employees hired by the business and the increase in the payroll of that business based on compensation paid to full-time employees. The amount of the grant is an amount equal to 6.27 percent of the growth in payroll from one calendar quarter to the next, attributable to the increase in full-time employees. The business receives grants in each of four consecutive calendar quarters. After receiving the grants for four consecutive calendar quarters, the business may apply to receive additional grants, but may not receive grants in more than 20 calendar quarters. The maximum amount of the grants that all businesses may receive is \$2,000,000. If the business does not maintain the payroll and employment level used to determine the grant amount for at least 12 months, the business must repay the grant amount in the manner determined by WEDC.

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:

ASSEMBLY BILL 521**SECTION 1**

1 **SECTION 1.** 20.192 (1) (b) of the statutes is created to read:

2 20.192 (1) (b) *Job creation grants.* A sum sufficient to pay the grants for job
3 creation under s. 238.18 (3).

4 **SECTION 2.** 238.18 of the statutes is created to read:

5 **238.18 Job creation grants. (1) DEFINITIONS.** In this section:

6 (a) “Business” means any organization or enterprise operated for profit,
7 including a proprietorship, partnership, firm, business trust, joint venture,
8 syndicate, corporation, limited liability company, or association.

9 (b) “Eligible employee” means an individual employed in an eligible full-time
10 job by a person certified in sub. (2), if all of the following apply:

11 1. The individual begins employment with the person certified under sub. (2)
12 after December 31, 2013.

13 2. The individual certifies to the corporation, in the manner prescribed by the
14 corporation, that the individual has not been employed for more than 40 hours
15 during the 60-day period ending on the date that the individual begins his or her
16 employment with the person certified under sub. (2).

17 3. The individual is not employed by the person certified under sub. (2) to
18 replace another employee of the person unless the other employee separated from his
19 or her employment with the person voluntarily or unless the person terminated the
20 other employee for cause.

21 4. The individual was not employed by the person certified under sub. (2) at any
22 time before January 1, 2014.

23 5. The individual is not an individual described in 26 USC 51 (i) (1).

24 (c) “Eligible full-time job” means a regular, nonseasonal full-time position, in
25 this state, in which an individual, as a condition of employment, is required to work

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1 at least 2,080 hours per year, including paid leave and holidays, and for which the
2 individual receives annual compensation in an amount that is at least 150 percent
3 of the federal minimum hourly wage, but no more than \$65,000. "Full-time job" does
4 not include initial training before an employment position begins. The corporation
5 may grant exceptions to the requirement under this paragraph that a full-time job
6 means a position in which an individual, as a condition of employment, is required
7 to work at least 2,080 hours per year if all of the following apply:

8 1. The annual pay for the position is more than the amount determined by
9 multiplying 2,080 by 150 percent of the federal minimum wage.

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

13 **(2) CERTIFICATION.** The corporation may certify a person to receive grants under
14 this section if all of the following apply:

15 (a) The person is operating or intends to operate a business in this state.

16 (b) The person's business employs no more than 10 employees at the time that
17 the person first applies for a grant under this section.

18 (c) The number of eligible employees employed in the person's business in the
19 calendar quarter in which the person applies for a grant under this section is greater
20 than the number of eligible employees employed in the person's business in the
21 preceding calendar quarter.

22 (d) The payroll amount of the person's business in the calendar quarter in
23 which the person applies for a grant under this section is greater than the payroll
24 amount of the person's business in the preceding calendar quarter.

ASSEMBLY BILL 521**SECTION 2**

1 (e) The person applies under this section in the manner determined by the
2 corporation.

3 **(3) GRANTS.** The corporation may award grants to a person certified under sub.
4 (2) in an amount determined as follows:

5 (a) Determine the payroll amount of all eligible employees employed by the
6 person certified under sub. (2) for the calendar quarter in which the person is
7 certified under sub. (2).

8 (b) Determine the payroll amount of all eligible employees employed by the
9 person certified under sub. (2) for the calendar quarter preceding the calendar
10 quarter in which the person is certified under sub. (2).

11 (c) Subtract the amount determined under par. (b) from the amount determined
12 under par. (a).

13 (d) Multiply the amount determined under par. (c) by 6.27 percent.

14 **(4) LIMITATIONS.** (a) A person certified under sub. (2) may receive a grant, in
15 the amount determined under sub. (3), in each calendar quarter for 4 consecutive
16 calendar quarters. A person who receives a grant for 4 consecutive calendar quarters
17 may not receive any additional grants under this section without first submitting a
18 new application and satisfying the requirements for certification under sub. (2). No
19 person may receive grants under this section for more than 20 calendar quarters.

20 (b) A person may not receive a grant under this section and the tax credits
21 under ss. 71.07 (3q), 71.28 (3q), and 71.47 (3q) for amounts related to the same
22 employees.

23 (c) The maximum amount of the grants that may be awarded under this section
24 is \$2,000,000.

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1 (d) 1. If an eligible employee does not work for the person certified under sub.
2 (2) for at least 30 days during the year for which the person receives grants under
3 this section, the person shall repay the amount of the grants received for that
4 employee in the manner determined by the corporation.

5 2. If a person who receives grants under this section does not maintain the
6 payroll and employment level for which the person was certified under sub. (2) for
7 the period for which the person is receiving grants under this section, the person
8 shall repay the amount of the grants received in the manner determined by the
9 corporation.

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(END)