



2017 ASSEMBLY BILL 422

June 30, 2017 - Introduced by Representatives HORLACHER, RIEMER, ALLEN, ANDERSON, BERCEAU, BRANDTJEN, R. BROOKS, BROSTOFF, EDMING, GENRICH, GOYKE, HEBL, HINTZ, JACQUE, JAGLER, KLEEFISCH, KOLSTE, KRUG, MASON, MILROY, MURSAU, PETRYK, RIPP, SINICKI, SKOWRONSKI, SUMMERFIELD, C. TAYLOR, THIESFELDT and VRUWINK, cosponsored by Senators COWLES, CARPENTER, FEYEN, HANSEN and L. TAYLOR. Referred to Committee on Workforce Development.

1 **AN ACT** *to amend* 20.445 (1) (b) and 20.445 (1) (bm); and *to create* 49.162 (1) (c)
2 4. and 106.38 of the statutes; **relating to:** creating the Hire Heroes program
3 to provide transitional jobs to veterans, granting rule-making authority, and
4 making appropriations.

Analysis by the Legislative Reference Bureau

This bill requires the Department of Workforce Development to establish a program to provide transitional jobs to veterans, in cooperation with the Department of Veterans Affairs and Department of Children and Families. Under the bill, DWD, DCF, and DVA are required to enter into a memorandum of understanding to implement the program.

Under the new program, called "Hire Heroes" under the bill, a veteran is eligible to participate if he or she is at least 18 years old, has been unemployed for at least four weeks, is ineligible for the Wisconsin Works program, is a veteran as verified by DVA, and passes the required drug screening tests. Under the bill, preference for participation in the program will be given to veterans whose household income is less than 60 percent of the state median household income.

Under the bill, an individual may participate in the program for up to 1,040 work hours. DWD compensates a participating employer for costs including a wage subsidy, federal social security and Medicare taxes, state and federal unemployment insurance contributions or taxes, and worker's compensation insurance premiums, if any.

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The bill requires DWD to commit up to \$400,000 in each fiscal year in funding for the program, and also requires DWD to prepare an annual report on the program to be submitted to the governor, the appropriate standing committees of the legislature, DCF, and DVA.

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.** 20.445 (1) (b) of the statutes is amended to read:

2 20.445 (1) (b) *Workforce training and veteran wage subsidies; programs, grants*
3 *and services.* As a continuing appropriation, the amounts in the schedule for the
4 apprenticeship completion award program under s. 106.05 (2), local youth
5 apprenticeship grants under s. 106.13 (3m), youth summer jobs programs under s.
6 106.18, employment transit assistance grants under s. 106.26, workforce training
7 grants and services under s. 106.27 (1), (1g), and (1r), ~~and~~ career and technical
8 education incentive grants under s. 106.273, and the Hire Heroes program under s.
9 106.38.

10 **SECTION 2.** 20.445 (1) (bm) of the statutes is amended to read:

11 20.445 (1) (bm) *Workforce training and veteran wage subsidies;*
12 *administration.* Biennially, the amounts in the schedule for the administration of
13 the apprenticeship completion award program under s. 106.05 (2), the local youth
14 apprenticeship grant program under s. 106.13 (3m), the youth summer jobs program
15 under s. 106.18, the employment transit assistance grant program under s. 106.26,
16 the workforce training program under s. 106.27, ~~and~~ the career and technical
17 education incentive grant program under s. 106.273, and the Hire Heroes program
18 under s. 106.38.

19 **SECTION 3.** 49.162 (1) (c) 4. of the statutes is created to read:

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1 49.162 (1) (c) 4. The Hire Heroes program under s. 106.38.

2 **SECTION 4.** 106.38 of the statutes is created to read:

3 **106.38 Hire Heroes program. (1) DEFINITION.** In this section, “program”
4 means the Hire Heroes program established under this section.

5 **(2) ESTABLISHMENT.** The department shall establish a Hire Heroes program to
6 provide transitional jobs to veterans.

7 **(3) PROGRAM COMPONENTS.** The program under this section shall include all of
8 the following features and requirements:

9 (a) An individual may participate in the program for a maximum of 1,040 hours
10 actually worked.

11 (b) The employer of record shall pay the individual for hours actually worked
12 at not less than the federal or state minimum wage that applies to the individual.

13 (c) The department may reimburse an employer that employs an individual
14 participating in the program for a minimum of 20 hours per week at a location in this
15 state for any of the following costs that are attributable to the employment of the
16 individual under the program:

17 1. A wage subsidy that is equal to an amount negotiated between the
18 department and the employer, that is paid for each hour the individual actually
19 worked, not to exceed 40 hours per week, and that is not more than the federal or
20 state minimum wage that applies to the individual.

21 2. Federal social security and Medicare taxes.

22 3. State and federal unemployment insurance contributions or taxes, if any.

23 4. Worker’s compensation insurance premiums, if any.

24 (d) An employer that employs an individual participating in the program may
25 pay the individual an amount that exceeds any wage subsidy paid to the employer

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1 by the department under par. (c) 1., except that the employer or contractor must pay
2 the individual at least minimum wage.

3 (e) The employment of an individual under this section may not do any of the
4 following:

5 1. Have the effect of filling a vacancy created by an employer terminating a
6 regular employee or otherwise reducing its work force for the purpose of hiring an
7 individual under this section.

8 2. Fill a position when any other person is on layoff or strike from the same or
9 a substantially equivalent job within the same organizational unit.

10 3. Fill a position when any other person is engaged in a labor dispute regarding
11 the same or a substantially equivalent job within the same organizational unit.

12 (4) ELIGIBILITY. (a) To be eligible to participate in the program, an individual
13 must satisfy all of the following criteria:

14 1. Be at least 18 years of age.

15 2. Be a veteran, as defined under s. 45.01 (12), who is verified by the department
16 of veterans affairs.

17 3. Be ineligible to participate in the Wisconsin Works program under ss. 49.141
18 to 49.161.

19 4. Be unemployed for at least 4 weeks.

20 5. Satisfy all of the requirements related to substance abuse screening, testing,
21 and treatment under s. 49.162 that apply to the individual.

22 (b) Preference for participation in the program shall be given to individuals
23 whose household income is not more than 60 percent of the statewide median
24 household income, excluding service-connected disability benefits payments by the
25 U.S. department of veterans affairs.

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1 (5) MEMORANDUM OF UNDERSTANDING FOR ADMINISTRATION. The department of
2 children and families, the department of veterans affairs, and the department of
3 workforce development shall enter into a memorandum of understanding for the
4 purpose of administering this section. The memorandum of understanding shall
5 include all of the following:

6 (a) That the department of veterans affairs shall refer veterans to the program
7 and verify eligible veterans who apply for the program.

8 (b) That the department of workforce development shall allocate not more than
9 \$400,000 each fiscal year from the appropriation account under s. 20.445 (1) (b) for
10 the purposes of funding the Hire Heroes program.

11 (c) That the department of workforce development shall be responsible for
12 administering the program.

13 (d) That the department of children and families, the department of veterans
14 affairs, and the department of workforce development shall each seek additional
15 federal funds to support the program.

16 (e) That the department of workforce development, department of children and
17 families, and department of veterans affairs shall, to the greatest extent possible,
18 implement the program to achieve all of the following:

19 1. Minimization of administrative costs by using existing contractors and other
20 arrangements made by the department of children and families in the
21 administration of the Transform Milwaukee Jobs and Transitional Jobs programs
22 under s. 49.163.

23 2. Coordination of any future expansion of the Transform Milwaukee Jobs and
24 Transitional Jobs programs under s. 49.163 with any future expansion of the Hire
25 Heroes program.

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1 3. Addressing the most urgent needs of Wisconsin’s unemployed veterans.

2 (6) RECOVERY OF OVERPAYMENTS. The department may recover from any
3 individual participating, or who has participated, in the program under this section
4 any overpayment resulting from a misrepresentation by the individual as to any
5 criterion for eligibility under sub. (3).

6 (7) RULE-MAKING AUTHORITY. The department may promulgate rules to
7 implement the program.

8 (8) REPORT. Beginning in 2018, no later than December 31, the department
9 shall prepare an annual report on the Hire Heroes program and shall submit the
10 report to the governor, the appropriate standing committees of the legislature under
11 s. 13.172 (3), the department of children and families, and the department of
12 veterans affairs. The annual report shall include all of the following information
13 about the program:

14 (a) The cost of the program.

15 (b) The number of applicants for the program.

16 (c) The number of placements in the program.

17 (d) The outcomes of the placements, including whether a veteran continued
18 with the employer in an unsubsidized position, secured other unsubsidized
19 employment, or did not secure an unsubsidized position after participation in the
20 program and why, and what the post-program earnings of participants are.

21 (e) Opportunities and suggestions for expansion and improvement of the
22 program.

23 (END)