



State of Wisconsin
2021 - 2022 LEGISLATURE

LRB-6219/1
MIM&KP:cdc

2021 SENATE BILL 1068

March 9, 2022 - Introduced by Senators SMITH, BEWLEY, CARPENTER, ROYS and AGARD, cosponsored by Representatives VINING, SHELTON, SHANKLAND, SINICKI, ANDRACA, BROSTOFF, CABRERA, EMERSON, GOYKE, HESSELBEIN, B. MEYERS, MOORE OMOKUNDE, POPE, S. RODRIGUEZ and SPREITZER. Referred to Committee on Economic and Workforce Development.

1 **AN ACT** *to create* 71.05 (6) (b) 57. of the statutes; **relating to:** hazard pay grant
2 program, an income tax subtraction for hazard pay, special education aid and
3 UW System funding, granting rule-making authority, and making an
4 appropriation.

Analysis by the Legislative Reference Bureau

This bill requires the Department of Workforce Development to create and administer a grant program to provide hazard pay to certain employees who perform hazardous work or work involving physical hardship during the COVID-19 pandemic after March 12, 2020. The bill also requires DWD to notify employers about the grant program and to prioritize grants to employers in industries that are most negatively affected by the pandemic. The maximum grant an employer may receive for hazard pay is \$13 per hour worked per employee, and if an employer receives a grant the employer is required to use it to provide the hazard pay.

The bill also creates an individual income tax subtraction, or deduction, for up to \$600 of hazard pay received by an employee from an employer that receives a hazard pay grant.

Finally, the bill also provides additional funding for the University of Wisconsin System under its general program operations appropriation and for special education aid for school districts, independent charter schools, cooperative educational service agencies, and county children with disabilities education boards for purposes of maintaining compliance with maintenance of effort requirements of

SENATE BILL 1068

the federal Consolidated Appropriations Act and the federal American Rescue Plan Act.

Because this bill relates to an exemption from state or local taxes, it may be referred to the Joint Survey Committee on Tax Exemptions for a report to be printed as an appendix to the bill.

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.** 71.05 (6) (b) 57. of the statutes is created to read:

2 71.05 **(6)** (b) 57. Up to \$600 of the amount received during a taxable year as
3 hazard pay, as defined under 2021 Wisconsin Act ... (this act), section 2, from an
4 employer that receives a grant under 2021 Wisconsin Act ... (this act), section 2.

5 **SECTION 2. Nonstatutory provisions.**

6 (1) HAZARD PAY DURING COVID-19 PANDEMIC.

7 (a) In this section, “hazard pay” means additional pay for performing
8 hazardous duty or work involving physical hardship, in each case that is related to
9 the COVID-19 pandemic beginning on March 12, 2020.

10 (b) From the appropriation under s. 20.445 (1) (a), the department of workforce
11 development shall award grants to employers for the payment of hazard pay.

12 (c) The department of workforce development shall establish and administer
13 a program to subsidize hazard pay during the COVID-19 pandemic of up to \$13 per
14 hour worked per worker. The department shall give priority to employers in
15 industries most negatively affected by the pandemic when providing grants under
16 this section. The department shall inform employers in this state about the grant
17 program. The department shall require, at a minimum, that the employer provide
18 a sworn affidavit of compliance, and payroll records if requested by the department.

SENATE BILL 1068

1 The department may promulgate rules to implement and administer the program
2 under this section, including rules regarding the amount of hazard pay an employee
3 may receive.

4 (d) Employers shall inform their employees of the availability of the grant
5 program under this section.

6 (e) During the COVID-19 pandemic, an employer may apply for a grant under
7 this section to pay hazard pay to their employees, but is not required to apply for a
8 grant. If an employer receives a grant under the program, the employer is required
9 to use all of the grant money to provide hazard pay.

10 (f) No later than July 30, 2023, the department of workforce development shall
11 submit a report to the joint committee on finance that provides the total amounts
12 provided to each employer as a grant under this section.

13 **SECTION 3. Fiscal changes.**

14 (1) HAZARD PAY. In the schedule under s. 20.005 (3) for the appropriation to the
15 department of workforce development under s. 20.445 (1) (a), the dollar amount for
16 fiscal year 2021-22 is increased by \$150,000,000 for hazard pay grants under
17 SECTION 2 of this act during the COVID-19 pandemic. In the schedule under s.
18 20.005 (3) for the appropriation to the department of workforce development under
19 s. 20.445 (1) (a), the dollar amount for fiscal year 2022-23 is increased by
20 \$150,000,000 for hazard pay grants under SECTION 2 of this act during the COVID-19
21 pandemic.

22 (2) SPECIAL EDUCATION AID. In the schedule under s. 20.005 (3) for the
23 appropriation to the department of public instruction under s. 20.255 (2) (b), the
24 dollar amount for fiscal year 2022-23 is increased by \$94,800,000 to increase funding
25 for aids for special education under s. 115.88.

