



2005 ASSEMBLY BILL 241

March 16, 2005 - Introduced by Representatives DAVIS, WIECKERT, MONTGOMERY, MOULTON, KLEEFISCH, KERKMAN, OWENS, VOS, SUDER, HONADEL, TOWNS, GRONEMUS, FREESE, J. FITZGERALD, VRAKAS, VAN ROY, NISCHKE, GUNDERSON, ALBERS, HUNDERTMARK, LAMB, MUSSER, HINES and HAHN, cosponsored by Senators LEIBHAM, KANAVAS, ZIEN, STEPP and DARLING. Referred to Committee on Workforce Development.

1 **AN ACT to repeal** 560.155; and **to create** 20.292 (1) (eh) and 38.41 of the statutes;
2 **relating to:** transfer of the business employees' skills training grant program
3 to the Technical College System Board, granting rule-making authority, and
4 making an appropriation.

Analysis by the Legislative Reference Bureau

Under current law, the Department of Commerce (Commerce) awards grants to certain Wisconsin businesses with no more than 25 full-time employees and no more than \$2,500,000 in gross annual income to provide skills training for employees of the businesses. Commerce must give preference in awarding grants to the following three types of businesses: businesses in industries with severe labor shortages; businesses in industries that Commerce determines are especially adversely affected by federal requirements or policies; and businesses that operate in development zones or enterprise development zones.

This bill transfers the administration of this grant program to the Technical College System (TCS) Board and makes the following changes to the program: (1) requires the TCS district boards annually to designate, based upon regional need, the types of businesses to be given preference in awarding grants; (2) requires that an eligible business employ no more than 100 full-time employees; and (3) requires a business that receives a grant to provide matching funds for the entire amount of the grant, unless the board finds that the business is subject to extreme financial hardship.

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1 (c) The business agrees in writing to use the grant only to provide skills training
2 or other education related to the needs of the business to current or prospective
3 employees of the business.

4 (d) The business agrees in writing to comply with sub. (2) (d).

5 (e) The business submits a plan to the board detailing the proposed use of the
6 grant, and the board approves the plan.

7 (f) The business enters into a written agreement with the board that specifies
8 the conditions for the use of the grant, including reporting and auditing
9 requirements.

10 (g) The business agrees in writing to submit to the board the report required
11 under sub. (3) by the time required under sub. (3).

12 (h) The business provides matching funds at least equal to the amount of the
13 grant. The board may waive the requirement under this paragraph if the board
14 determines that the business is subject to extreme financial hardship.

15 **(2)** (a) The board may not award a business more than \$20,000 in grants under
16 this section.

17 (b) Annually, each district board shall submit to the board a list of the types of
18 businesses that the district board believes, based upon regional need, should be
19 given preference in the granting of awards. The board shall give preference to those
20 types of businesses designated by the district boards in awarding grants under this
21 section.

22 (d) A grant under this section may not be used for any of the following:

23 1. To pay more than 80 percent of the cost of any skills training or other
24 education related to the needs of the recipient business that is provided to the owner
25 of the business, the owner's spouse, or a child of the owner.

