

1999 DRAFTING REQUEST

Bill

Received: **01/6/99**

Received By: **yacketa**

Wanted: **As time permits**

Identical to LRB:

For: **Administration-Budget**

By/Representing: **Sajna**

This file may be shown to any legislator: **NO**

Drafter: **yacketa**

May Contact:

Alt. Drafters: **shoveme**

Subject: **Public Assistance - Wis works**

Extra Copies:

Topic:

DOA:.....Sajna - Expand wage-paying CSJ to statewide

Instructions:

See Attached

Drafting History:

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Yacker, Tina

From: Sajna, Jennifer [jennifer.sajna@doa.state.wi.us]
Sent: Tuesday, January 05, 1999 3:43 PM
To: Yacker, Tina
Subject: Stat language changes

I wanted to get this down on paper -- As we discussed on the phone last week, I need the following changes per my briefing with the Gov:

- 1) Child Care and Basic Ed -- drop to 3 months of required unsubsidized employment prior to qualifying for the child care subsidy -- I already got this revision.
- 2) Child Care Copayment Determination -- Make the W-2 agencies (all) not the counties responsible the functions covered in this draft.
- 3) SSI C-supp -- \$200 for the 1st kid and \$115 thereafter -- I already got this revision.
- 4) Wage paying CSJ -- In place of the current language establishing these as a pilot - add this as an ongoing tier in the W-2 "career ladder" - available for all W-2 agencies. Limit the number of slots that can be created by adding language something like "up to 2500 slots per year, as allocated between the W-2 agencies by DWD". (They would pay the minimum wage for 30 hours of required work activities and there would be no additional education and training component. The 24 month time limit would stay the same. Explicitly exempt them from eligibility from the state EITC and Homestead tax credits.

Take out def of empl.
R; (c)2

I still owe you language on the following items:

- 1) Privatization of the collection of public assistance debt
- 2) Changing the income test for child care from gross to net
- 3) TANF and CCDF allocations.

I hope to have something for you on these 3 items by the end of the week. Call if you have questions. Jenny

DOA:.....Sajna - Expand wage-paying CSJ to statewide

FOR 1999-01 BUDGET - NOT READY FOR INTRODUCTION

Do NOT
GEN CAT

1 AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

HEALTH AND HUMAN SERVICES[✓]

WISCONSIN WORKS[✓]

Under current law, two Wisconsin works (W-2) agencies in Milwaukee[✓] County are permitted to implement a program under which certain participants in community service jobs (wholly subsidized employment) may be paid wages rather than monthly grants. To qualify for a wage-paying community service job, the participant must already be engaged in unsubsidized employment for at least 15 hours per week. Currently, a W-2 agency may not require a person to work in a wage-paying community service job more than the lesser of 15 hours per week or the difference between 40 hours and the number of hours per week that the participant works in unsubsidized employment. If the participant qualifies for the federal earned income tax credit (EITC),[✓] current law qualifies the participant for the state EITC[✓] as well. Currently, the wage-paying community service job program is scheduled to sunset on October 1, 2001.

This bill eliminates the sunset date for the wage-paying community service job program and expands the program to allow all W-2 agencies to implement it. However, the bill caps the number of slots for the program at 2,500 statewide. Under the bill, a participant in a wage-paying community service job is disqualified from the state EITC with respect to any wages earned under the wage-paying community service job. Additionally, under the bill, the participant need not be engaged in

unsubsidized employment to qualify for^a wage-paying community service job. Finally, the bill allows a W-2 agency to require a participant in a wage-paying community service job to work in a community service job for not more than 30 hours per week.

For further information see the *state and local* 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:

SECTION 1. 20.445 (3) (dz) of the statutes, as affected by 1997 Wisconsin Act 27, section 627b, is amended to read:

20.445 (3) (dz) *Wisconsin works and other public assistance administration and benefits.* The amounts in the schedule for administration and benefit payments under Wisconsin works under ss. 49.141 to 49.161, the job opportunities and basic skills program under s. 49.193, the learnfare program under s. 49.26, the work experience and job search program under s. 49.36, the food stamp program under s. 49.124 and the parental responsibility pilot program under s. 49.25; for payment distribution under s. 49.33 (8) for county administration of public assistance benefits and medical assistance eligibility determination and payments to American Indian tribes for administration of public assistance programs; to provide state aid for county administered public assistance programs for which reimbursement is provided under s. 49.33 (9); for child care costs under ss. 49.191 (1) and (2), 49.193 (8) and 49.26 (1) (e); for the new hope project under s. 49.37; for aid to 18-year-old students under s. 49.20; and for funeral expenses under s. 49.30; ~~and to transfer to the appropriation account under s. 20.835 (2) (k) the amount determined by the department of revenue under s. 49.175 (1) (b) 2.~~ Payments may be made from this appropriation to counties for fraud investigation and error reduction under s. 49.197 (1m) and (4). Moneys appropriated under this paragraph may be used to match

17

1 federal funds received under par. (md). Notwithstanding ss. 20.001 (3) (a) and 20.002
 2 (1), the department may transfer funds between fiscal years under this paragraph.
 3 All funds allocated by the department but not encumbered by December 31 of each
 4 year lapse to the general fund on the next January 1 unless transferred to the next
 5 calendar year by the joint committee on finance.

NOTE: NOTE: Par. (dz) is shown as affected eff. 2-1-99 by 2 acts of the 1997 legislature and as merged by the revisor under s. 13.93 (2) (c). Prior to 2-1-99 it reads:NOTE:

(dz) Wisconsin works and other public assistance administration and benefits. The amounts in the schedule for administration and benefit payments under Wisconsin works under ss. 49.141 to 49.161, the job opportunities and basic skills program under s. 49.193, the learnfare program under s. 49.26, the work experience and job search program under s. 49.36, the food stamp program under s. 49.124 and the parental responsibility pilot program under s. 49.25; for payment distribution under s. 49.33 (8) for county administration of public assistance benefits and medical assistance eligibility determination and payments to American Indian tribes for administration of public assistance programs; to provide state aid for county administered public assistance programs for which reimbursement is provided under s. 49.33 (9); for child care costs under ss. 49.191 (1) and (2), 49.193 (8) and 49.26 (1) (e); for the new hope project under s. 49.37; for aid to 18-year-old students under s. 49.20; and for funeral expenses under s. 49.30. Payments may be made from this appropriation to counties for fraud investigation and error reduction under s. 49.197 (1m) and (4). Moneys appropriated under this paragraph may be used to match federal funds received under par. (md). Notwithstanding ss. 20.001 (3) (a) and 20.002 (1), the department may transfer funds between fiscal years under this paragraph. All funds allocated by the department but not encumbered by December 31 of each year lapse to the general fund on the next January 1 unless transferred to the next calendar year by the joint committee on finance.

History: 1971 c. 125 ss. 156, 522 (1); 1971 c. 211, 215; 1971 c. 228 s. 44; 1971 c. 259; 1973 c. 90, 180, 243, 333; 1975 c. 39, 147, 224, 274, 344; 1975 c. 404 ss. 3, 10 (1); 1975 c. 405 ss. 3, 11 (1); 1977 c. 29, 48, 203, 418; 1979 c. 34 ss. 512 to 522, 2102 (25) (a); 1979 c. 189, 221, 309; 1979 c. 329 s. 25 (1); 1979 c. 350 ss. 3, 27 (6); 1979 c. 353, 355; 1981 c. 20, 36, 92, 93, 317, 325, 364; 1983 a. 8; 1983 a. 27 ss. 411 to 425; 1983 a. 98 ss. 1, 31; 1983 a. 192, 384, 388, 410; 1985 a. 17, 29, 153, 313, 332; 1987 a. 27; 1987 a. 38 ss. 2 to 4, 136; 1987 a. 399, 403; 1989 a. 31, 44, 64, 77, 254, 284, 359; 1991 a. 39 ss. 312c, 545r, 545t, 545v, 547, 548, 548g, 548m, 549, 549b, 549g, 549p; 1991 a. 83, 89, 269, 315; 1993 a. 16, 126, 243, 437, 491; 1995 a. 27 ss. 772mm, 772mn, 776p to 778b, 778L, 778n, 778q, 778v, 778z to 780m, 781m to 782p, 782u, 841, 842, 849, 850, 854, 855, 858c, 873 to 876, 878, 880, 890 to 896, 962 to 1014c, 9126 (19), 9130 (4); 1995 a. 113 s. 2; 1995 a. 117, 201, 216, 225, 289; 1995 a. 404 ss. 4, 6 to 8, 10 to 17; 1997 a. 3; 1997 a. 27 ss. 610 to 642m, 722; 1997 a. 35, 38, 39, 105, 112, 191, 235, 236, 237, 252; s. 13.93 (2) (c).

16 SECTION 2. 20.835 (2) (f) of the statutes, as affected by 1997 Wisconsin Act 27, is

17 is amended to read:

18 20.835 (2) (f) *Earned income tax credit.* A sum sufficient to pay the claims
 19 approved under s. 71.07 (9e), ~~except the claims paid under par. (k).~~

History: 1971 c. 125 ss. 192 to 195, 521; 1971 c. 215; 1973 c. 90, 158, 333; 1975 c. 39; 1975 c. 372 s. 41; 1975 c. 424; 1977 c. 29, 31, 313, 418, 447; 1979 c. 34 ss. 637m to 643m, 2102 (46) (d); 1979 c. 221; 1979 c. 329 s. 25 (1); 1979 c. 350 s. 27 (1); 1981 c. 1, 20, 93, 317; 1983 a. 2 ss. 1, 12; 1983 a. 27 ss. 489m, 490m, 2202 (45); 1985 a. 29, 41, 205; 1987 a. 27 ss. 473 to 474r, 476; 1987 a. 92; 1987 a. 312 s. 17; 1987 a. 323, 328, 399, 411, 422; 1989 a. 31 ss. 551 to 557m, 564m; 1989 a. 56 s. 259; 1989 a. 336; 1991 a. 37; 1991 a. 39 ss. 250m, 653m to 659m; 1991 a. 225, 269; 1993 a. 16, 263; 1995 a. 27, 56, 209, 417; 1997 a. 27, 237.

20 SECTION 3. 20.835 (2) (k) of the statutes, as affected by 1997 Wisconsin Act 27, is

21 is repealed.

22 SECTION 4. 49.147 (4) (c) 1. of the statutes, as affected by 1997 Wisconsin Act
 23 27, is repealed.

24 SECTION 5. 49.147 (4) (c) 1g. of the statutes, as affected by 1997 Wisconsin Act
 25 27, is repealed and recreated to read:

26 49.147 (4) (c) 1g. 'Limited participation.' Not more than 2,500 participants
 27 statewide may participate under this paragraph at any given time. The department

1 shall allocate the 2,500 slots among the Wisconsin works agencies based on a formula
2 developed by the department.

3 SECTION 6. 49.147 (4) (c) 1^m of the statutes, as affected by 1997 Wisconsin Act
4 27, is repealed.

5 SECTION 7. 49.147 (4) (c) 2^v of the statutes, as affected by 1997 Wisconsin Act
6 27, is repealed.

7 SECTION 8. 49.147 (4) (c) 3. (intro.) of the statutes, as affected by 1997 Wisconsin
8 Act 27, is ^{renumbered 49.147(4)(c)3. and} amended to read:

9 49.147 (4) (c) 3. 'Work supplementation.' (intro.)^g The Wisconsin works agency
10 may require a participant under this paragraph to work not more than the lesser of
11 the following in a community service job under this paragraph: 30 hours per week.^v

History: 1995 a. 289; 1997 a. 27.

12 SECTION 9. 49.147 (4) (c) 3. a. and b. of the statutes, as affected by 1997
13 Wisconsin Act 27, is repealed.

14 SECTION 10. 49.147 (4) (c) 6. of the statutes, as affected by 1997 Wisconsin Act
15 27, is repealed.

16 SECTION 11. 49.148 (1) (b) 2. of the statutes, as affected by 1997 Wisconsin Act
17 27, is amended to read:

18 49.148 (1) (b) 2. For a participant in a community service job under s. 49.147
19 (4) (c), minimum wage for every hour actually worked in the community service job,
20 not to exceed ~~15~~ 30 hours per week, paid by the employer, as defined in s. 49.147 (4)
21 (e) ~~1~~ Wisconsin works agency.^v

NOTE: NOTE: Par. (b) is shown as affected eff. 2-1-99 by 1997 Wis. Act 27. Prior to 2-1-99 it reads: NOTE:

22 (b) Community service jobs. For a participant in a community service job, a monthly grant of \$673, paid by the Wisconsin works agency or by the department under
23 sub. (2). For every hour that the participant misses work or education or training activities without good cause, the grant amount shall be reduced by \$5.15. Good
24 cause shall be determined by the financial and employment planner in accordance with rules promulgated by the department. Good cause shall include required court
25 appearances for a victim of domestic abuse. If a participant in a community service job is required to work fewer than 30 hours per week because the participant has
26 unsubsidized employment, as defined in s. 49.147 (1) (c), the grant amount under this paragraph may be reduced by an amount equal to the product of \$5.15 and the
27 difference between 30 and the number of hours the participant is required to work.

History: 1995 a. 289; 1997 a. 27.

1 **SECTION 12.** 49.175 (1) (b) 1[✓] of the statutes, as affected by 1997 Wisconsin Act
2 27, section 1857q[✓], and 1997 Wisconsin Act 252, is renumbered 49.175 (1) (b)[✓] and
3 amended to read:

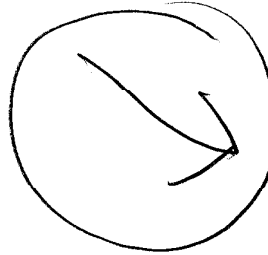
4 49.175 (1) (b) ~~Except as provided in subd. 2. for~~ For payments to Wisconsin
5 works agencies for subsidized employment costs, \$155,375,100 in fiscal year
6 1997-98 and \$158,678,000 in fiscal year 1998-99.

7 History: 1997 a. 27, 105, 236, 237, 252, 318.

7 **SECTION 13.** 49.175 (1) (b) 2[✓] of the statutes, as affected by 1997 Wisconsin Act
8 27, is repealed.

9

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1999-2000 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-1611/lins

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SECTION 1. 71.07 (9e) (af) (intro.) of the statutes is amended to read:

71.07 (9e) (af) (intro.) For taxable years beginning after December 31, 1995, and subject to par. (afm), any natural person may credit against the tax imposed under s. 71.02 an amount equal to one of the following percentages of the federal basic earned income credit for which the person is eligible for the taxable year under section 32 (b) (1) (A) to (C) of the internal revenue code:

History: 1987 a. 312; 1987 a. 411 ss. 63, 79 to 82, 85, 86; 1987 a. 419, 422; 1989 a. 31, 44, 56, 100, 359; 1991 a. 39, 269, 292; 1993 a. 16, 112, 204, 471, 491; 1995 a. 27 ss. 3377m to 3393m, 9116 (5); 1995 a. 209, 227, 400, 453; 1997 a. 27, 41, 237, 299. History: 1987 a. 312; 1987 a. 411 ss. 63, 79 to 82, 85, 86; 1987 a. 419, 422; 1989 a. 31, 44, 56, 100, 359; 1991 a. 39, 269, 292; 1993 a. 16, 112, 204, 471, 491; 1995 a. 27 ss. 3377m to 3393m, 9116 (5); 1995 a. 209, 227, 400, 453; 1997 a. 27, 41, 237, 299.

SECTION 2. 71.07 (9e) (afm) of the statutes is created to read:

71.07 (9e) (afm) If a natural person who is otherwise eligible for the credit under this subsection is also participating in Wisconsin works under s. 49.147 (4) (c), the credit that such a natural person may claim under par. (af) shall be calculated as if the calculation of the person's federal basic earned income credit described in par. (af) did not include wages that the person received from a wage-paying community service job under s. 49.147 (4) (c).

SECTION 9343. Initial applicability; revenue.

(1) EARNED INCOME TAX CREDIT, WISCONSIN WORKS. The treatment of section 71.07 (9e) (af) (intro.) and (afm) of the statutes first applies to taxable years beginning on January 1 of the year in which this subsection takes effect, except that if this subsection takes effect after July 31, the treatment of section 71.07 (9e) (af) (intro.) and (afm) of the statutes first applies to taxable years beginning on January 1 of the year following the year in which this subsection takes effect.

(END)

Soon

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DOA:.....Sajna - Expand wage-paying CSJ to statewide

FOR 1999-01 BUDGET - NOT READY FOR INTRODUCTION

do not gen

1 AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

HEALTH AND HUMAN SERVICES

WISCONSIN WORKS

Under current law, two Wisconsin works (W-2) agencies in Milwaukee County are permitted to implement a program under which certain participants in community service jobs (wholly subsidized employment) may be paid wages rather than monthly grants. To qualify for a wage-paying community service job, the participant must already be engaged in unsubsidized employment for at least 15 hours per week. Currently, a W-2 agency may not require a person to work in a wage-paying community service job more than the lesser of 15 hours per week or the difference between 40 hours and the number of hours per week that the participant works in unsubsidized employment. If the participant qualifies for the federal earned income tax credit (EITC), current law qualifies the participant for the state EITC as well. Currently, the wage-paying community service job program is scheduled to sunset on October 1, 2001.

This bill eliminates the sunset date for the wage-paying community service job program and expands the program to allow all W-2 agencies to implement it. However, the bill caps the number of slots for the program at 2,500 statewide. Under the bill, a participant in a wage-paying community service job is disqualified from the state EITC with respect to any wages earned under the wage-paying community service job. Additionally, under the bill, the participant need not be engaged in

unsubsidized employment to qualify for a wage-paying community service job. Finally, the bill allows a W-2 agency to require a participant in a wage-paying community service job to work in a community service job for not more than 30 hours per week.

For further information see the *state and local* 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 (3) (dz) of the statutes, as affected by 1997 Wisconsin Act 27,
2 section 627b, is amended to read:

3 20.445 (3) (dz) *Wisconsin works and other public assistance administration and*
4 *benefits.* The amounts in the schedule for administration and benefit payments
5 under Wisconsin works under ss. 49.141 to 49.161, the job opportunities and basic
6 skills program under s. 49.193, the learnfare program under s. 49.26, the work
7 experience and job search program under s. 49.36, the food stamp program under s.
8 49.124 and the parental responsibility pilot program under s. 49.25; for payment
9 distribution under s. 49.33 (8) for county administration of public assistance benefits
10 and medical assistance eligibility determination and payments to American Indian
11 tribes for administration of public assistance programs; to provide state aid for
12 county administered public assistance programs for which reimbursement is
13 provided under s. 49.33 (9); for child care costs under ss. 49.191 (1) and (2), 49.193
14 (8) and 49.26 (1) (e); for the new hope project under s. 49.37; for aid to 18-year-old
15 students under s. 49.20; and for funeral expenses under s. 49.30; ~~and to transfer to~~
16 ~~the appropriation account under s. 20.835 (2) (k) the amount determined by the~~
17 ~~department of revenue under s. 49.175 (1) (b) 2.~~ Payments may be made from this
18 appropriation to counties for fraud investigation and error reduction under s. 49.197
19 (1m) and (4). Moneys appropriated under this paragraph may be used to match

1 federal funds received under par. (md). Notwithstanding ss. 20.001 (3) (a) and 20.002
2 (1), the department may transfer funds between fiscal years under this paragraph.
3 All funds allocated by the department but not encumbered by December 31 of each
4 year lapse to the general fund on the next January 1 unless transferred to the next
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7 20.835 (2) (f) *Earned income tax credit.* A sum sufficient to pay the claims
8 approved under s. 71.07 (9e), ~~except the claims paid under par. (k).~~

9 SECTION 3. 20.835 (2) (k) of the statutes, as created by 1997 Wisconsin Act 27,
10 is repealed.

11 SECTION 4. 49.147 (4) (c) 1. of the statutes, as affected by 1997 Wisconsin Act
12 27, is repealed.

13 SECTION 5. 49.147 (4) (c) 1g. of the statutes, as affected by 1997 Wisconsin Act
14 27, is repealed and recreated to read:

15 49.147 (4) (c) 1g. 'Limited participation.' Not more than 2,500 participants
16 statewide may participate under this paragraph at any given time. The department
17 shall allocate the 2,500 slots among the Wisconsin works agencies based on a formula
18 developed by the department.

19 SECTION 6. 49.147 (4) (c) 1m. of the statutes, as affected by 1997 Wisconsin Act
20 27, is ~~repealed~~ amended to read:

21 SECTION 7. 49.147 (4) (c) 2. of the statutes, as affected by 1997 Wisconsin Act
22 27, is repealed.

23 SECTION 8. 49.147 (4) (c) 3. (intro.) of the statutes, as affected by 1997 Wisconsin
24 Act 27, is renumbered 49.147 (4) (c) 3. and amended to read:

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3-20

1 49.147 (4) (c) 3. 'Work supplementation.' The Wisconsin works agency may
2 require a participant under this paragraph to work not more than the lesser of the
3 following in a community service job under this paragraph: 30 hours per week.

4 **SECTION 9.** 49.147 (4) (c) 3. a. and b. of the statutes, as affected by 1997
5 Wisconsin Act 27, are repealed.

6 **SECTION 10.** 49.147 (4) (c) 6. of the statutes, as affected by 1997 Wisconsin Act
7 27, is repealed.

8 **SECTION 11.** 49.148 (1) (b) 2. of the statutes, as affected by 1997 Wisconsin Act
9 27, is amended to read:

10 49.148 (1) (b) 2. For a participant in a community service job under s. 49.147
11 (4) (c), minimum wage for every hour actually worked in the community service job,
12 not to exceed ~~15~~ 30 hours per week, paid by the ^{plan} employer, as defined in s. 49.147 (4)
13 (e) ~~1 Wisconsin works agency~~

14 **SECTION 12.** 49.175 (1) (b) 1. of the statutes, as affected by 1997 Wisconsin Act
15 27, section 1857q, and 1997 Wisconsin Act 252, is renumbered 49.175 (1) (b) and
16 amended to read:

17 49.175 (1) (b) ~~Except as provided in subd. 2. for~~ For payments to Wisconsin
18 works agencies for subsidized employment costs, \$155,375,100 in fiscal year
19 1997-98 and \$158,678,000 in fiscal year 1998-99.

20 **SECTION 13.** 49.175 (1) (b) 2. of the statutes, as affected by 1997 Wisconsin Act
21 27, is repealed.

22 **SECTION 14.** 71.07 (9e) (af) (intro.) of the statutes is amended to read:

23 71.07 (9e) (af) (intro.) For taxable years beginning after December 31, 1995,
24 and subject to par. (afm), any natural person may credit against the tax imposed
25 under s. 71.02 an amount equal to one of the following percentages of the federal

1 basic earned income credit for which the person is eligible for the taxable year under
2 section 32 (b) (1) (A) to (C) of the internal revenue code:

3 **SECTION 15.** 71.07 (9e) (afm) of the statutes is created to read:

4 71.07 (9e) (afm) If a natural person who is otherwise eligible for the credit
5 under this subsection is also participating in Wisconsin works under s. 49.147 (4) (c),
6 the credit that such a natural person may claim under par. (af) shall be calculated
7 as if the calculation of the person's federal basic earned income credit described in
8 par. (af) did not include wages that the person received from a wage-paying
9 community service job under s. 49.147 (4) (c).

10 **SECTION 9343. Initial applicability; revenue.**

11 (1) EARNED INCOME TAX CREDIT, WISCONSIN WORKS. The treatment of section 71.07
12 (9e) (af) (intro.) and (afm) of the statutes first applies to taxable years beginning on
13 January 1 of the year in which this subsection takes effect, except that if this
14 subsection takes effect after July 31, the treatment of section 71.07 (9e) (af) (intro.)
15 and (afm) of the statutes first applies to taxable years beginning on January 1 of the
16 year following the year in which this subsection takes effect.

17

(END)

~~Section # 49.147 (4) (c) 1m. of the statutes is amended to read:~~

any employer

49.147 (4) (c) 1m. 'Employment arrangement.' A Wisconsin works agency may contract with ~~a nonprofit, nonstock corporation organized under ch. 181~~ to provide employment to the participant. The contract shall require the Wisconsin works agency to reimburse the employer for the amounts paid by the employer for the wages and payroll taxes of the participant.

History: 1995 a. 289; 1997 a. 27.

1-22-99

LRB-1611

- ① require < 10 hrs ed & training
- ② no ed / ~~training~~ training = sanction (non participation)
- ③ reinstate non-stock / non profit employer
- ④ define when wage-paying CSS should be used
 - "if w-2 agency determines that indiv. would be qualified for unsub'd job but jobs unavailable
- ⑤ delay eff. date → 11-2001

Yacker, Tina

From: Sajna, Jennifer
Sent: Monday, January 25, 1999 5:14 PM
To: Yacker, Tina
Subject: RE: wage-paying CSJs

Yes I want a delayed effective date for the EITC provision as well. This means the current pilot will last until 12/31/99.

-----Original Message-----

From: Yacker, Tina
Sent: Monday, January 25, 1999 4:47 PM
To: Sajna, Jennifer
Subject: wage-paying CSJs

Jenny:

Do you want the entire wage paying CSJ draft (LRB-1611) to be delayed to 1-1-01, or just those provisions expanding the program statewide. That is, do you want a delayed effective date for the EITC provisions, as well?

Tina Yacker, Legislative Attorney
Wisconsin Legislative Reference Bureau
P.O. Box 2037
Madison, WI 53701-2037
(608) 261-6927



(soon)

State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-1611/3
TAY&MES:wlj&jlg:jf

RMR

DOA:.....Sajna - Expand wage-paying CSJ to statewide

FOR 1999-01 BUDGET - NOT READY FOR INTRODUCTION

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AN ACT *./.*; relating to: the budget.

Analysis by the Legislative Reference Bureau
HEALTH AND HUMAN SERVICES

WISCONSIN WORKS

Under current law, two Wisconsin works (W-2) agencies in Milwaukee County are permitted to implement a program under which certain participants in community service jobs (wholly subsidized employment) may be paid wages rather than monthly grants. To qualify for a wage-paying community service job, the participant must already be engaged in unsubsidized employment for at least 15 hours per week. Currently, a W-2 agency may not require a person to work in a wage-paying community service job more than the lesser of 15 hours per week or the difference between 40 hours and the number of hours per week that the participant works in unsubsidized employment. If the participant qualifies for the federal earned income tax credit (EITC), current law qualifies the participant for the state EITC as well. Currently, the wage-paying community service job program is scheduled to sunset on October 1, 2001.

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This bill eliminates the sunset date for the wage-paying community service job program and expands the program to allow all W-2 agencies to implement it. However, the bill caps the number of slots for the program at 2,500 statewide. Under the bill, a participant in a wage-paying community service job is disqualified from the state EITC with respect to any wages earned under the wage-paying community service job. Additionally, under the bill, the participant need not be engaged in

for an individual that the W-2 agency determines is capable of working in an unsubsidized job but who, despite reasonable efforts, is unable to secure full-time unsubsidized employment

✓ and to participate in education, training and job search activities for not more than ~~10 1/2~~ hours per week

unsubsidized employment to qualify for a wage-paying community service job. Finally, the bill allows a W-2 agency to require a participant in a wage-paying community service job to work in a community service job for not more than 30 hours per week.

For further information see the **state and local** fiscal estimate, which will be printed as an appendix to this bill.

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8 49.124 and the parental responsibility pilot program under s. 49.25; for payment
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10 and medical assistance eligibility determination and payments to American Indian
11 tribes for administration of public assistance programs; to provide state aid for
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9 SECTION 3. 20.835 (2) (k) of the statutes, as created by 1997 Wisconsin Act 27,
10 is repealed.

11 SECTION 4. 49.147 (4) (c) 1. [✓] of the statutes, as affected by 1997 Wisconsin Act
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13 SECTION 5. 49.147 (4) (c) 1g. of the statutes, as affected by 1997 Wisconsin Act
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15 49.147 (4) (c) 1g. 'Limited participation.' Not more than 2,500 participants
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5 49.147 (4) (c) 3. 'Work supplementation.' The Wisconsin works agency may
6 require a participant under this paragraph to work ^{in a community service job for} not more than the lesser of the
7 following ~~in a community service job under this paragraph:~~ 30 hours per week

8 SECTION 9. 49.147 (4) (c) 3. a. and b. of the statutes, as affected by 1997
9 Wisconsin Act 27, are repealed.

10 SECTION 10. 49.147 (4) (c) 6. of the statutes, as affected by 1997 Wisconsin Act
11 27, is repealed.

NOTE: ~~xxxx~~ this repeals the sunset. I have not included this in the delayed effective date section because it is not necessary.

12 SECTION 11. 49.148 (1) (b) 2. of the statutes, as affected by 1997 Wisconsin Act
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14 49.148 (1) (b) 2. For a participant in a community service job under s. 49.147
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16 not to exceed 15 30 hours per week, paid by the employer, as defined in s. 49.147 (4)

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15 (1) EARNED INCOME TAX CREDIT, WISCONSIN WORKS. The treatment of section 71.07
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17 January 1 ²⁰⁰¹ ~~of the year in which this subsection takes effect, except that if this~~
18 ~~subsection takes effect after July 31, the treatment of section 71.07 (9e) (af) (intro.)~~
19 ~~and (afm) of the statutes first applies to taxable years beginning on January 1 of the~~
20 ~~year following the year in which this subsection takes effect.~~

21 (END)

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5-20

Handwritten notes:
- Section 9343 effective date; workforce development.
- CH 1 WAGE-PAYING COMMUNITY SERVICE JOBS. The treatment of sections and the creation of s.
- 49.147 (4) (c) lg. (3a (intro.), a. and b. and 49.151 (1) (f)
- to be effective on January 1, 2001.

1999-2000 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-1611/3ins
TAY.....

insert 4-2

SECTION 1. ✓ 49.147 (4) (c) 2. ✓ of the statutes, as affected by 1997 Wisconsin Act 27, ✓ is amended to read:

49.147 (4) (c) 2. 'Eligibility.' A Wisconsin works agency may not place an individual under this paragraph unless the Wisconsin works agency determines that the individual is working at least 15 hours per week in an qualified for ✓ unsubsidized job employment but has been unable to secure full-time unsubsidized employment despite reasonable efforts on the part of the individual. ✓

History: 1995 a. 289; 1997 a. 27.

insert 4-17

SECTION 2. 49.151 (1) (f) ✓ of the statutes is created to read:

49.151 (1) (f) If the individual is a participant under s. ✓ 49.147 (4) (c), ✓ the individual fails, without good cause, to participate in education, training or job search activities required under s. ✓ 49.147 (4) (c) 3. ✓

1999-2000 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-1611/3ins
TAY.....

9 (duplicates)

insert 4-2

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History: 1995 a. 289; 1997 a. 27.

****NOTE: I have not delayed the effect of this provision. Do you want to include it in the delayed effective date section or do you want it to apply upon enactment of the budget?

insert 4-17

SECTION 2. 49.151 (1) (f) of the statutes is created to read:

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insert 5-20

SECTION 9457. Effective dates; workforce development

(1) WAGE-PAYING COMMUNITY SERVICE JOBS. The treatment of sections 20.445 (3) (dz), 20.835 (2) (f) and (k), 49.147 (4) (c) 1g. and 3. (intro.), a. and b., 49.148 (1) (b) 2., 49.151 (1) (f), 49.175 (1) (b) 1. and 2. and 71.07 (9e) (af) (intro.) and (afm) of the statutes and SECTION 9343 take effect on January 1, 2001.



Soon
State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-1611/84
TAY&MES:wj&jlg:km

RMP

DOA:.....Sajna - Expand wage-paying CSJ to statewide

FOR 1999-01 BUDGET -- NOT READY FOR INTRODUCTION

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AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

HEALTH AND HUMAN SERVICES

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24 job employment but has been unable to secure full-time unsubsidized employment
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3 49.147 (4) (c) 3. 'Work supplementation.' The Wisconsin works agency may
4 require a participant under this paragraph to work in a community service job for
5 not more than the lesser of the following in a community service job under this
6 paragraph: 30 hours per week and to participate in ~~educational training and~~ job
7 search activities for not more than 10 hours per week.

8 **SECTION 7.** 49.147 (4) (c) 3. a. and b. of the statutes, as affected by 1997
9 Wisconsin Act 27, are repealed.

10 **SECTION 8.** 49.147 (4) (c) 6. of the statutes, as affected by 1997 Wisconsin Act
11 27, is repealed.

****NOTE: This repeals the sunset. I have not included this in the delayed effective date section because it is not necessary.

12 **SECTION 9.** 49.148 (1) (b) 2. of the statutes, as affected by 1997 Wisconsin Act
13 27, is amended to read:

14 49.148 (1) (b) 2. For a participant in a community service job under s. 49.147
15 (4) (c), minimum wage for every hour actually worked in the community service job,
16 not to exceed ~~15~~ 30 hours per week, paid by the employer, as defined in s. 49.147 (4)
17 (c) 1.

18 **SECTION 10.** 49.151 (1) (f) of the statutes is created to read:

19 49.151 (1) (f) If the individual is a participant under s. 49.147 (4) (c), the
20 individual fails, without good cause, to participate in ~~educational training or~~ job
21 search activities required under s. 49.147 (4) (c) 3.

1 **SECTION 11.** 49.175 (1) (b) 1. of the statutes, as affected by 1997 Wisconsin Act
2 27, section 1857q, and 1997 Wisconsin Act 252, is renumbered 49.175 (1) (b) and
3 amended to read:

4 49.175 (1) (b) ~~Except as provided in subd. 2. for~~ For payments to Wisconsin
5 works agencies for subsidized employment costs, \$155,375,100 in fiscal year
6 1997–98 and \$158,678,000 in fiscal year 1998–99.

7 **SECTION 12.** 49.175 (1) (b) 2. of the statutes, as affected by 1997 Wisconsin Act
8 27, is repealed.

9 **SECTION 13.** 71.07 (9e) (af) (intro.) of the statutes is amended to read:

10 71.07 (9e) (af) (intro.) For taxable years beginning after December 31, 1995,
11 and subject to par. (afm), any natural person may credit against the tax imposed
12 under s. 71.02 an amount equal to one of the following percentages of the federal
13 basic earned income credit for which the person is eligible for the taxable year under
14 section 32 (b) (1) (A) to (C) of the internal revenue code:

15 **SECTION 14.** 71.07 (9e) (afm) of the statutes is created to read:

16 71.07 (9e) (afm) If a natural person who is otherwise eligible for the credit
17 under this subsection is also participating in Wisconsin works under s. 49.147 (4) (c),
18 the credit that such a natural person may claim under par. (af) shall be calculated
19 as if the calculation of the person's federal basic earned income credit described in
20 par. (af) did not include wages that the person received from a wage-paying
21 community service job under s. 49.147 (4) (c).

22 **SECTION 9343. Initial applicability; revenue.**

23 (1) EARNED INCOME TAX CREDIT, WISCONSIN WORKS. The treatment of section 71.07
24 (9e) (af) (intro.) and (afm) of the statutes first applies to taxable years beginning on
25 January 1, 2001.



(D-NOTE)

State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-1611/5
TAY&MES:wlj&jlg:jf

EMK

DOA:.....Sajna - Expand wage-paying CSJ to statewide

FOR 1999-01 BUDGET -- NOT READY FOR INTRODUCTION

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1 AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

HEALTH AND HUMAN SERVICES

WISCONSIN WORKS

Under current law, two Wisconsin works (W-2) agencies in Milwaukee County are permitted to implement a program under which certain participants in community service jobs (wholly subsidized employment) may be paid wages rather than monthly grants. To qualify for a wage-paying community service job, the participant must already be engaged in unsubsidized employment for at least 15 hours per week. Currently, a W-2 agency may not require a person to work in a wage-paying community service job more than the lesser of 15 hours per week or the difference between 40 hours and the number of hours per week that the participant works in unsubsidized employment. If the participant qualifies for the federal earned income tax credit (EITC), current law qualifies the participant for the state EITC as well. Currently, the wage-paying community service job program is scheduled to sunset on October 1, 2001.

This bill eliminates the sunset date for the wage-paying community service job program and expands the program beginning on January 1, 2001, to allow all W-2 agencies to implement it for any individual that the W-2 agency determines is capable of working in an unsubsidized job but who, despite reasonable efforts, is unable to secure full-time unsubsidized employment. However, the bill caps the number of slots for the program at 2,500 statewide. Under the bill, a participant in

a wage-paying community service job is disqualified from the state EITC with respect to any wages earned under the wage-paying community service job. Additionally, under the bill, the participant need not be engaged in unsubsidized employment to qualify for a wage-paying community service job. Finally, the bill allows a W-2 agency to require a participant in a wage-paying community service job to work in a community service job for not more than 30 hours per week and to participate in job search activities for not more than ten hours per week.

For further information see the *state and local* 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 (3) (dz) of the statutes, as affected by 1997 Wisconsin Act 27,
2 section 627b, is amended to read:

3 ~~20.445 (3) (dz) *Wisconsin works and other public assistance administration and*~~
4 ~~*benefits.* The amounts in the schedule for administration and benefit payments~~
5 ~~under Wisconsin works under ss. 49.141 to 49.161, the job opportunities and basic~~
6 ~~skills program under s. 49.193, the learnfare program under s. 49.26, the work~~
7 ~~experience and job search program under s. 49.36, the food stamp program under s.~~
8 ~~49.124 and the parental responsibility pilot program under s. 49.25; for payment~~
9 ~~distribution under s. 49.33 (8) for county administration of public assistance benefits~~
10 ~~and medical assistance eligibility determination and payments to American Indian~~
11 ~~tribes for administration of public assistance programs; to provide state aid for~~
12 ~~county administered public assistance programs for which reimbursement is~~
13 ~~provided under s. 49.33 (9); for child care costs under ss. 49.191 (1) and (2), 49.193~~
14 ~~(8) and 49.26 (1) (c); for the new hope project under s. 49.37; for aid to 18-year-old~~
15 ~~students under s. 49.20; and for funeral expenses under s. 49.30; and to transfer to~~
16 ~~the appropriation account under s. 20.835 (2) (k) the amount determined by the~~
17 ~~department of revenue under s. 49.175 (1) (b) 2.~~ Payments may be made from this

1 appropriation to counties for fraud investigation and error reduction under s. 49.197
2 (1m) and (4). Moneys appropriated under this paragraph may be used to match
3 federal funds received under par. (md). Notwithstanding ss. 20.001 (3) (a) and 20.002
4 (1), the department may transfer funds between fiscal years under this paragraph.
5 All funds allocated by the department but not encumbered by December 31 of each
6 year lapse to the general fund on the next January 1 unless transferred to the next
7 calendar year by the joint committee on finance.

8 **SECTION 2.** 20.835 (2) (f) of the statutes is amended to read:

9 20.835 (2) (f) *Earned income tax credit.* A sum sufficient to pay the claims
10 approved under s. 71.07 (9e), ~~except the claims paid under par. (k).~~

11 **SECTION 3.** 20.835 (2) (k) of the statutes, as created by 1997 Wisconsin Act 27,
12 is repealed.

13 **SECTION 4.** 49.147 (4) (c) 1g. of the statutes, as affected by 1997 Wisconsin Act
14 27, is repealed and recreated to read:

15 49.147 (4) (c) 1g. 'Limited participation.' Not more than 2,500 participants
16 statewide may participate under this paragraph at any given time. The department
17 shall allocate the 2,500 slots among the Wisconsin works agencies based on a formula
18 developed by the department.

19 **SECTION 5.** 49.147 (4) (c) 2. of the statutes, as affected by 1997 Wisconsin Act
20 27, is amended to read:

21 49.147 (4) (c) 2. 'Eligibility.' A Wisconsin works agency may not place an
22 individual under this paragraph unless the Wisconsin works agency determines that
23 the individual is working at least 15 hours per week in an qualified for unsubsidized
24 job employment but has been unable to secure full-time unsubsidized employment
25 despite reasonable efforts on the part of the individual.

1 **SECTION 6.** 49.147 (4) (c) 3. (intro.) of the statutes, as affected by 1997 Wisconsin
2 Act 27, is renumbered 49.147 (4) (c) 3. and amended to read:

3 49.147 (4) (c) 3. 'Work supplementation.' The Wisconsin works agency may
4 require a participant under this paragraph to work in a community service job for
5 not more than ~~the lesser of the following in a community service job under this~~
6 paragraph; 30 hours per week and to participate in job search activities for not more
7 than 10 hours per week.

8 **SECTION 7.** 49.147 (4) (c) 3. a. and b. of the statutes, as affected by 1997
9 Wisconsin Act 27, are repealed.

10 **SECTION 8.** 49.147 (4) (c) 6. of the statutes, as affected by 1997 Wisconsin Act
11 27, is repealed.

12 **SECTION 9.** 49.148 (1) (b) 2. of the statutes, as affected by 1997 Wisconsin Act
13 27, is amended to read:

14 49.148 (1) (b) 2. For a participant in a community service job under s. 49.147
15 (4) (c), minimum wage for every hour actually worked in the community service job,
16 not to exceed ~~15~~ 30 hours per week, paid by the employer, as defined in s. 49.147 (4)
17 (c) 1.

18 **SECTION 10.** 49.151 (1) (f) of the statutes is created to read:

19 49.151 (1) (f) If the individual is a participant under s. 49.147 (4) (c), the
20 individual fails, without good cause, to participate in job search activities required
21 under s. 49.147 (4) (c) 3.

22 **SECTION 11.** 49.175 (1) (b) 1. of the statutes, as affected by 1997 Wisconsin Act
23 27, section 1857q, and 1997 Wisconsin Act 252, is renumbered 49.175 (1) (b) and
24 amended to read:

1 49.175 (1) (b) ~~Except as provided in subd. 2. for~~ For payments to Wisconsin
2 works agencies for subsidized employment costs, \$155,375,100 in fiscal year
3 1997-98 and \$158,678,000 in fiscal year 1998-99.

4 **SECTION 12.** 49.175 (1) (b) 2. of the statutes, as affected by 1997 Wisconsin Act
5 27, is repealed.

6 **SECTION 13.** 71.07 (9e) (af) (intro.) of the statutes is amended to read:

7 71.07 (9e) (af) (intro.) For taxable years beginning after December 31, 1995,
8 and subject to par. (afm), any natural person may credit against the tax imposed
9 under s. 71.02 an amount equal to one of the following percentages of the federal
10 basic earned income credit for which the person is eligible for the taxable year under
11 section 32 (b) (1) (A) to (C) of the internal revenue code:

12 **SECTION 14.** 71.07 (9e) (afm) of the statutes is created to read:

13 71.07 (9e) (afm) If a natural person who is otherwise eligible for the credit
14 under this subsection is also participating in Wisconsin works under s. 49.147 (4) (c),
15 the credit that such a natural person may claim under par. (af) shall be calculated
16 as if the calculation of the person's federal basic earned income credit described in
17 par. (af) did not include wages that the person received from a wage-paying
18 community service job under s. 49.147 (4) (c).

19 **SECTION 9343. Initial applicability; revenue.**

20 (1) EARNED INCOME TAX CREDIT, WISCONSIN WORKS. The treatment of section 71.07
21 (9e) (af) (intro.) and (afm) of the statutes first applies to taxable years beginning on
22 January 1, 2001.

23 **SECTION 9457. Effective dates; workforce development.**

24 (1) WAGE-PAYING COMMUNITY SERVICE JOBS. The treatment of sections 20.445 (3)
25 (dz), 20.835 (2) (f) and (k), 49.147 (4) (c) 1g. and 3. (intro.), a. and b., 49.148 (1) (b) 2.,

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1 49.151 (1) (f), 49.175 (1) (b) 1. and 2. and 71.07 (9e) (af) (intro.) and (afm) of the
2 statutes takes effect on January 1, 2001.

3 (END)

of the statutes
1 the renumbering and amendment of section 49.175(1)(gm) 1.
and the repeal of 49.175(1)(gm) 2. of the statutes
1

~~XXXX~~ ^{NOTE:} This is reconciled SECTION 9457(1). This section
takes into account the treatment in LRB-702/6 of
S. 49.175(1)(gm) for purposes of repealing the SITC
provisions.

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DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-1611/5dn

TAY::

This draft reconciles LRB-0702/6 and LRB-1611/4. Both of these drafts should continue to appear in the compiled bill.

This draft deletes the treatment of ss. 20.445 (3) (dz) and 49.175 (1) (b) 1. and 2. The treatment of those sections is in LRB-0702/6.

Tina A. Yacker
Legislative Attorney
Phone: (608) 261-6927
E-mail: Tina.Yacker@legis.state.wi.us

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-1611/5dn
TAY:jlg:hmlh

Wednesday, February 3, 1999

This draft reconciles LRB-0702/6 and LRB-1611/4. Both of these drafts should continue to appear in the compiled bill.

This draft deletes the treatment of ss. 20.445 (3) (dz) and 49.175 (1) (b) 1. and 2. The treatment of those sections is in LRB-0702/6.

Tina A. Yacker
Legislative Attorney
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E-mail: Tina.Yacker@legis.state.wi.us



State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-1611/5
TAY&MES:wlj&jlg:hmh

DOA:.....Sajna - Expand wage-paying CSJ to statewide

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION

1 **AN ACT ...; relating to:** the budget.

Analysis by the Legislative Reference Bureau

HEALTH AND HUMAN SERVICES

WISCONSIN WORKS

Under current law, two Wisconsin works (W-2) agencies in Milwaukee County are permitted to implement a program under which certain participants in community service jobs (wholly subsidized employment) may be paid wages rather than monthly grants. To qualify for a wage-paying community service job, the participant must already be engaged in unsubsidized employment for at least 15 hours per week. Currently, a W-2 agency may not require a person to work in a wage-paying community service job more than the lesser of 15 hours per week or the difference between 40 hours and the number of hours per week that the participant works in unsubsidized employment. If the participant qualifies for the federal earned income tax credit (EITC), current law qualifies the participant for the state EITC as well. Currently, the wage-paying community service job program is scheduled to sunset on October 1, 2001.

This bill eliminates the sunset date for the wage-paying community service job program and expands the program beginning on January 1, 2001, to allow all W-2 agencies to implement it for any individual that the W-2 agency determines is capable of working in an unsubsidized job but who, despite reasonable efforts, is unable to secure full-time unsubsidized employment. However, the bill caps the number of slots for the program at 2,500 statewide. Under the bill, a participant in

a wage-paying community service job is disqualified from the state EITC with respect to any wages earned under the wage-paying community service job. Additionally, under the bill, the participant need not be engaged in unsubsidized employment to qualify for a wage-paying community service job. Finally, the bill allows a W-2 agency to require a participant in a wage-paying community service job to work in a community service job for not more than 30 hours per week and to participate in job search activities for not more than ten hours per week.

For further information see the *state and local* 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.** 20.835 (2) (f) of the statutes is amended to read:

2 20.835 (2) (f) *Earned income tax credit.* A sum sufficient to pay the claims
3 approved under s. 71.07 (9e), ~~except the claims paid under par. (k).~~

4 **SECTION 2.** 20.835 (2) (k) of the statutes, as created by 1997 Wisconsin Act 27,
5 is repealed.

6 **SECTION 3.** 49.147 (4) (c) 1g. of the statutes, as affected by 1997 Wisconsin Act
7 27, is repealed and recreated to read:

8 49.147 (4) (c) 1g. 'Limited participation.' Not more than 2,500 participants
9 statewide may participate under this paragraph at any given time. The department
10 shall allocate the 2,500 slots among the Wisconsin works agencies based on a formula
11 developed by the department.

12 **SECTION 4.** 49.147 (4) (c) 2. of the statutes, as affected by 1997 Wisconsin Act
13 27, is amended to read:

14 49.147 (4) (c) 2. 'Eligibility.' A Wisconsin works agency may not place an
15 individual under this paragraph unless the Wisconsin works agency determines that
16 the individual is working at least 15 hours per week in an qualified for unsubsidized

1 job employment but has been unable to secure full-time unsubsidized employment
2 despite reasonable efforts on the part of the individual.

3 **SECTION 5.** 49.147 (4) (c) 3. (intro.) of the statutes, as affected by 1997 Wisconsin
4 Act 27, is renumbered 49.147 (4) (c) 3. and amended to read:

5 49.147 (4) (c) 3. ‘Work supplementation.’ The Wisconsin works agency may
6 require a participant under this paragraph to work in a community service job for
7 not more than the lesser of the following in a community service job under this
8 paragraph: 30 hours per week and to participate in job search activities for not more
9 than 10 hours per week.

10 **SECTION 6.** 49.147 (4) (c) 3. a. and b. of the statutes, as affected by 1997
11 Wisconsin Act 27, are repealed.

12 **SECTION 7.** 49.147 (4) (c) 6. of the statutes, as affected by 1997 Wisconsin Act
13 27, is repealed.

14 **SECTION 8.** 49.148 (1) (b) 2. of the statutes, as affected by 1997 Wisconsin Act
15 27, is amended to read:

16 49.148 (1) (b) 2. For a participant in a community service job under s. 49.147
17 (4) (c), minimum wage for every hour actually worked in the community service job,
18 not to exceed ~~15~~ 30 hours per week, paid by the employer, as defined in s. 49.147 (4)
19 (c) 1.

20 **SECTION 9.** 49.151 (1) (f) of the statutes is created to read:

21 49.151 (1) (f) If the individual is a participant under s. 49.147 (4) (c), the
22 individual fails, without good cause, to participate in job search activities required
23 under s. 49.147 (4) (c) 3.

24 **SECTION 10.** 71.07 (9e) (af) (intro.) of the statutes is amended to read:

1 71.07 (9e) (af) (intro.) For taxable years beginning after December 31, 1995,
2 and subject to par. (afm), any natural person may credit against the tax imposed
3 under s. 71.02 an amount equal to one of the following percentages of the federal
4 basic earned income credit for which the person is eligible for the taxable year under
5 section 32 (b) (1) (A) to (C) of the internal revenue code:

6 **SECTION 11.** 71.07 (9e) (afm) of the statutes is created to read:

7 71.07 (9e) (afm) If a natural person who is otherwise eligible for the credit
8 under this subsection is also participating in Wisconsin works under s. 49.147 (4) (c),
9 the credit that such a natural person may claim under par. (af) shall be calculated
10 as if the calculation of the person's federal basic earned income credit described in
11 par. (af) did not include wages that the person received from a wage-paying
12 community service job under s. 49.147 (4) (c).

13 **SECTION 9343. Initial applicability; revenue.**

14 (1) EARNED INCOME TAX CREDIT, WISCONSIN WORKS. The treatment of section 71.07
15 (9e) (af) (intro.) and (afm) of the statutes first applies to taxable years beginning on
16 January 1, 2001.

17 **SECTION 9457. Effective dates; workforce development.**

18 (1) WAGE-PAYING COMMUNITY SERVICE JOBS. The treatment of sections 20.445 (3)
19 (dz), 20.835 (2) (f) and (k), 49.147 (4) (c) 1g. and 3. (intro.), a. and b., 49.148 (1) (b) 2.,
20 49.151 (1) (f), 49.175 (1) (b) 1. and 2. and 71.07 (9e) (af) (intro.) and (afm) of the
21 statutes, the renumbering and amendment of section 49.175 (1) (qm) 1. of the
22 statutes and the repeal of 49.175 (1) (qm) 2. of the statutes take effect on January 1,
23 2001.

****NOTE: This is reconciled SECTION 9457 (1). This SECTION takes into account the treatment in LRB-0702/6 of s. 49.175 (1) (qm) for purposes of repealing the EITC provisions.

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(END)

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DOA:.....Sajna - Expand wage-paying CSJ to statewide

FOR 1999-01 BUDGET - NOT READY FOR INTRODUCTION

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AN ACT relating to: the budget.

Analysis by the Legislative Reference Bureau

HEALTH AND HUMAN SERVICES

WISCONSIN WORKS

Under current law, two Wisconsin works (W-2) agencies in Milwaukee County are permitted to implement a program under which certain participants in community service jobs (wholly subsidized employment) may be paid wages rather than monthly grants. To qualify for a wage-paying community service job, the participant must already be engaged in unsubsidized employment for at least 15 hours per week. Currently, a W-2 agency may not require a person to work in a wage-paying community service job more than the lesser of 15 hours per week or the difference between 40 hours and the number of hours per week that the participant works in unsubsidized employment. If the participant qualifies for the federal earned income tax credit (EITC), current law qualifies the participant for the state EITC as well. Currently, the wage-paying community service job program is scheduled to sunset on October 1, 2001.

This bill eliminates the sunset date for the wage-paying community service job program and expands the program beginning on January 1, 2001, to allow all W-2 agencies to implement it for any individual that the W-2 agency determines is capable of working in an unsubsidized job but who, despite reasonable efforts, is unable to secure full-time unsubsidized employment. However, the bill caps the number of slots for the program at 2,500 statewide. Under the bill, a participant in

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For further information see the *state and local* 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:

✓
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(-)

1 SECTION 1. 20.835 (2) (f) of the statutes is amended to read:

2 20.835 (2) (f) *Earned income tax credit.* A sum sufficient to pay the claims
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4 SECTION 2. 20.835 (2) (k) of the statutes, as created by 1997 Wisconsin Act 27,
5 is repealed.

6 SECTION 3. 49.147 (4) (c) 1g. of the statutes, as affected by 1997 Wisconsin Act
7 27, is repealed and recreated to read:

8 49.147 (4) (c) 1g. 'Limited participation.' Not more than 2,500 participants
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5 49.147 (4) (c) 3. ‘Work supplementation.’ The Wisconsin works agency may
6 require a participant under this paragraph to work in a community service job for
7 not more than the lesser of the following in a community service job under this
8 paragraph: 30 hours per week and to participate in job search activities for not more
9 than 10 hours per week.

10 SECTION 6. 49.147 (4) (c) 3. a. and b. of the statutes, as affected by 1997
11 Wisconsin Act 27, are repealed.

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 12 community service job under s. 49.147 (4) (c).

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14 (1) EARNED INCOME TAX CREDIT, WISCONSIN WORKS. The treatment of section 71.07
 15 (9e) (af) (intro.) and (afm) of the statutes first applies to taxable years beginning on
 16 January 1, 2001.

17 **SECTION 9457. Effective dates; workforce development.**

18 (1) ^{CS}WAGE-PAYING COMMUNITY SERVICE JOBS. The treatment of sections 20.445 (3)
 19 ^(by SECTION AUTO REF. A)(dz) 20.835 (2) (f) and (k), 49.147 (4) (c) 1g. and 3. (intro.), a. and b., 49.148 (1) (b) 2.,
 20 49.151 (1) (f), 49.175 (1) (b) 1. and 2. and 71.07 (9e) (af) (intro.) and (afm) of the
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 22 statutes and the repeal of 49.175 (1) (qm) 2. of the statutes take effect on January 1,
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section

***NOTE: This is reconciled SECTION 9457 (1). This SECTION takes into account the treatment in LRB-0702/6 of s. 49.175 (1) (gm) for purposes of repealing the EITC provisions.

1

(END)

INSERT 1-1

abuse treatment that is targeted at certain low-income individuals. DWD must coordinate the program with any similar program that the department of health and family services (DHFS) administers.

This bill also permits DWD to transfer funds received under the federal temporary assistance for needy families (TANF) block grant program to other agencies for programs that target TANF-eligible persons.

For further information see the **state and local** 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:

1999 Wisconsin Act (this act),

Attorel A

1 SECTION 1. 20.445 (3) (dz) of the statutes, as affected by ~~1997 Wisconsin Act 271~~
2 section ~~627m~~ is amended to read:

3 20.445 (3) (dz) Wisconsin works and other public assistance administration and
4 benefits. The amounts in the schedule for administration and benefit payments
5 under Wisconsin works under ss. 49.141 to 49.161, ~~the job opportunities and basic~~
6 ~~skills program under s. 49.193,~~ the learnfare program under s. 49.26, the work
7 experience and job search program under s. 49.36, ^{plain} and the food stamp program under
8 s. 49.124 ~~and the parental responsibility pilot program under s. 49.25,~~ for payment
9 distribution under s. 49.33 (8) for county administration of public assistance benefits
10 and medical assistance ^{plain} and badger care eligibility ~~determination~~ ^{plain} determinations
11 and payments to American Indian tribes for administration of public assistance
12 programs; to provide state aid for county administered public assistance programs
13 for which reimbursement is provided under s. 49.33 (9); ~~for child care costs under ss.~~
14 ~~49.101 (1) and (2), 49.193 (3) and 49.26 (1) (e); for the new hope project under s. 49.27,~~
15 ~~for aid to 18-year-old students under s. 49.175~~ and for funeral expenses under s.
16 49.30; and to transfer to the appropriation account under s. 20.835 (2) (k) the amount
17 determined by the department of revenue under s. 49.175 (1) (b) 2. ^{plain} Payments may
18 be made from this appropriation to counties for fraud investigation and error

plain period

1 reduction under s. 49.197 (1m) and (4). Moneys appropriated under this paragraph
2 may be used to match federal funds received under par. (md). Notwithstanding ss.
3 20.001 (3)(a) and 20.002 (1), the department may transfer funds between fiscal years
4 under this paragraph. All funds allocated by the department but not encumbered
5 by December 31 of each year lapse to the general fund on the next January 1 unless
6 transferred to the next calendar year by the joint committee on finance.

****NOTE: This is reconciled s. 20.445 (3) (dz). This SECTION has been affected by
drafts with the following LRB numbers: 0702/5, 1186/3 and 1611/4. This reconciled
section has a delayed effective date of 1-1-2001.

end of
1-1

7 **SECTION 2.** 20.445 (3) (mc) of the statutes is amended to read:

8 20.445 (3) (mc) *Federal block grant operations.* The amounts in the schedule
9 for the operation and administration of the block grant programs for which the block
10 grant moneys are received and to be transferred to the appropriation accounts under
11 ss. 20.435 (3) (kx), (6) (kx) and (8) (kx), 20.512 (1) (kg) and 20.525 (1) (kb). All block
12 grant moneys received for this purpose from the federal government or any of its
13 agencies for the state administration of federal block grants for the purposes
14 specified shall be credited to this appropriation account.

****NOTE: This is reconciled s. 20.445 (3) (mc). This SECTION has been affected by
drafts with the following LRB numbers: 0605/2, 0687/4, 0702/5, 1821/3, 1842/3 and
1843/1.

15 **SECTION 3.** 20.445 (3) (md) of the statutes is amended to read:

16 20.445 (3) (md) *Federal block grant aids.* The amounts in the schedule for aids
17 to individuals or organizations and to be transferred to the appropriation accounts
18 under sub. (7) (kc) and ss. 20.143 (1) (kd), 20.255 (2) (kh) and (kp), 20.434 (1) (ky),
19 20.435 (3) (kc), (kd) and (ky), (5) (ky), (7) (kw) and (ky) and (8) (kx) and 20.465 (4) (k).
20 All block grant moneys received for these purposes from the federal government or
21 any of its agencies to be expended as aids to individuals or organizations and to be

INSERT -8- 3-23

16/11/6/MS

1 SECTION 24. 49.175 (1) (pm) of the statutes is created to read:
2 49.175 (1) (pm) ~~Early childhood excellence initiative.~~ For grants under s.
3 49.1375, \$10,000,000 in each fiscal year.

4 SECTION 25. 49.175 (1) (q) of the statutes is repealed.

5 SECTION 26. 49.175 (1) (qm) of the statutes is created to read:
6 49.175 (1) (qm) ~~Initial contracts.~~ 1. Except as provided in subd. 2., for contracts
7 under s. 49.143 entered into or renewed prior to December 31, 1999, \$32,844,700 in
8 fiscal year 1999-2000.

9 SECTION 27. 49.175 (1) (qm) 1. of the statutes, as created by 1999 Wisconsin Act
10 (this act), is renumbered 49.175 (1) (qm) and amended to read:

11 49.175 (1) (qm) ~~Except as provided in subd. 2., for~~ For contracts under s. 49.143
12 entered into or renewed prior to December 31, 1999, \$32,844,700 in fiscal year
13 1999-2000.

Reconcil Note: This is reconciled s. 49.175(1)(qm)1. This section has been affected by the following LRB #'s: 0702/6 and 16/11/5. This reconciled section has a delayed effective date of 1-1-2001.

14 SECTION 28. 49.175 (1) (qm) 2. of the statutes, as created by 1999 Wisconsin Act
15 (this act), is repealed.

Reconcil Note: This is reconciled s. 49.175(1)(qm)2. This section has been affected by the following LRB #'s: 0702/6 and 16/11/5. This section has a delayed effective date of 1-1-2001.

16 SECTION 29. 49.175 (1) (qt) of the statutes is created to read:
17 49.175 (1) (qt) ~~Start-up funding.~~ For start-up funding for contracts under s.
18 49.143 entered into after December 31, 1999, \$7,184,400 in fiscal year 1999-2000.

19 SECTION 30. 49.175 (1) (r) of the statutes is amended to read:

20 49.175 (1) (r) ~~Wisconsin works contracts in certain counties.~~ For contracts with
21 persons for oversight of the administrative structure of Wisconsin works, and of
22 Wisconsin works agencies, in counties having a population of 500,000 or more,
23 \$1,500,000 in fiscal year 1999-2000 and \$1,000,000 in each fiscal year
24 2000-01

25 SECTION 31. 49.175 (1) (s) of the statutes is repealed.

1

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

1611/6dn
LRB-0702/6A
TAY.....
KMG
↑

✓
This draft re-reconciles LRB-0702/6 and LRB-1611/5. Both of these drafts should continue to appear in the compiled bill. I have re-reconciled to correct an earlier reconciliation error caused by my overlooking the effective date provision in LRB-1611. I am hopeful that this redraft, along with the redraft of LRB-1611 will clarify matters.

0702
↑

Tina A. Yacker
Legislative Attorney
Phone: (608) 261-6927
E-mail: Tina.Yacker@legis.state.wi.us

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-1611/6dn
TAY:kmg:jf

February 4, 1999

This draft re-reconciles LRB-0702/6 and LRB-1611/5. Both of these drafts should continue to appear in the compiled bill. I have re-reconciled to correct an earlier reconciliation error caused by my overlooking the effective date provision in LRB-1611. I am hopeful that this redraft, along with the redraft of LRB-0702 will clarify matters.

Tina A. Yacker
Legislative Attorney
Phone: (608) 261-6927
E-mail: Tina.Yacker@legis.state.wi.us



State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-1611-7
TAY&MES:wlj/jlg/kmg:jf

DOA:.....Sajna - Expand wage-paying CSJ to statewide

FOR 1999-01 BUDGET - NOT READY FOR INTRODUCTION

1 AN ACT ^{Don't Get Cut} relating to: the budget.

Analysis by the Legislative Reference Bureau

HEALTH AND HUMAN SERVICES

WISCONSIN WORKS

Under current law, two Wisconsin works (W-2) agencies in Milwaukee County are permitted to implement a program under which certain participants in community service jobs (wholly subsidized employment) may be paid wages rather than monthly grants. To qualify for a wage-paying community service job, the participant must already be engaged in unsubsidized employment for at least 15 hours per week. Currently, a W-2 agency may not require a person to work in a wage-paying community service job more than the lesser of 15 hours per week or the difference between 40 hours and the number of hours per week that the participant works in unsubsidized employment. If the participant qualifies for the federal earned income tax credit (EITC), current law qualifies the participant for the state EITC as well. Currently, the wage-paying community service job program is scheduled to sunset on October 1, 2001.

This bill eliminates the sunset date for the wage-paying community service job program and expands the program beginning on January 1, 2001, to allow all W-2 agencies to implement it for any individual that the W-2 agency determines is capable of working in an unsubsidized job but who, despite reasonable efforts, is unable to secure full-time unsubsidized employment. However, the bill caps the number of slots for the program at 2,500 statewide. Under the bill, a participant in

a wage-paying community service job is disqualified from the state EITC with respect to any wages earned under the wage-paying community service job. Additionally, under the bill, the participant need not be engaged in unsubsidized employment to qualify for a wage-paying community service job. Finally, the bill allows a W-2 agency to require a participant in a wage-paying community service job to work in a community service job for not more than 30 hours per week and to participate in job search activities for not more than ten hours per week.

For further information see the *state and local* 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 (3) (dz) of the statutes, as affected by 1999 Wisconsin Act
2 (this act), is amended to read:

3 20.445 (3) (dz) *Wisconsin works and other public assistance administration and*
4 *benefits.* The amounts in the schedule for administration and benefit payments
5 under Wisconsin works under ss. 49.141 to 49.161, the learnfare program under s.
6 49.26, the work experience and job search program under s. 49.36 and the food stamp
7 program under s. 49.124; for payment distribution under s. 49.33 (8) for county
8 administration of public assistance benefits and medical assistance and badger care
9 eligibility determinations and payments to American Indian tribes for
10 administration of public assistance programs; to provide state aid for county
11 administered public assistance programs for which reimbursement is provided
12 under s. 49.33 (9); and for funeral expenses under s. 49.30; ~~and to transfer to the~~
13 ~~appropriation account under s. 20.835 (2) (k) the amount determined by the~~
14 ~~department of revenue under s. 49.175 (1) (b) 2.~~ Payments may be made from this
15 appropriation to counties for fraud investigation and error reduction under s. 49.197
16 (1m) and (4). Moneys appropriated under this paragraph may be used to match
17 federal funds received under par. (md). Notwithstanding ss. 20.001 (3) (a) and 20.002

1 (1), the department may transfer funds between fiscal years under this paragraph.
2 All funds allocated by the department but not encumbered by December 31 of each
3 year lapse to the general fund on the next January 1 unless transferred to the next
4 calendar year by the joint committee on finance.

****NOTE: This is reconciled s. 20.445 (3) (dz). This SECTION has been affected by
drafts with the following LRB numbers: 0702/5, 1186/3 and 1611/4. This reconciled
section has a delayed effective date of 1-1-2001.

5 **SECTION 2.** 20.835 (2) (f) of the statutes is amended to read:

6 20.835 (2) (f) *Earned income tax credit.* A sum sufficient to pay the claims
7 approved under s. 71.07 (9e), ~~except the claims paid under par. (k).~~

8 **SECTION 3.** 20.835 (2) (k) of the statutes, as created by 1997 Wisconsin Act 27,
9 is repealed.

10 **SECTION 4.** 49.147 (4) (c) 1g. of the statutes, as affected by 1997 Wisconsin Act
11 27, is repealed and recreated to read:

12 49.147 (4) (c) 1g. 'Limited participation.' Not more than 2,500 participants
13 statewide may participate under this paragraph at any given time. The department
14 shall allocate the 2,500 slots among the Wisconsin works agencies based on a formula
15 developed by the department.

16 **SECTION 5.** 49.147 (4) (c) 2. of the statutes, as affected by 1997 Wisconsin Act
17 27, is amended to read:

18 49.147 (4) (c) 2. 'Eligibility.' A Wisconsin works agency may not place an
19 individual under this paragraph unless the Wisconsin works agency determines that
20 the individual is working at least 15 hours per week in an qualified for unsubsidized
21 job employment but has been unable to secure full-time unsubsidized employment
22 despite reasonable efforts on the part of the individual.

1 **SECTION 6.** 49.147 (4)(c) 3. (intro.) of the statutes, as affected by 1997 Wisconsin
2 Act 27, is renumbered 49.147 (4) (c) 3. and amended to read:

3 49.147 (4) (c) 3. 'Work supplementation.' The Wisconsin works agency may
4 require a participant under this paragraph to work in a community service job for
5 not more than ~~the lesser of the following in a community service job under this~~
6 ~~paragraph: 30 hours per week and to participate in job search activities for not more~~
7 ~~than 10 hours per week.~~

8 **SECTION 7.** 49.147 (4) (c) 3. a. and b. of the statutes, as affected by 1997
9 Wisconsin Act 27, are repealed.

10 **SECTION 8.** 49.147 (4) (c) 6. of the statutes, as affected by 1997 Wisconsin Act
11 27, is repealed.

12 **SECTION 9.** 49.148 (1) (b) 2. of the statutes, as affected by 1997 Wisconsin Act
13 27, is amended to read:

14 49.148 (1) (b) 2. For a participant in a community service job under s. 49.147
15 (4) (c), minimum wage for every hour actually worked in the community service job,
16 not to exceed ~~15~~ 30 hours per week, paid by the employer, as defined in s. 49.147 (4)
17 (c) 1.

18 **SECTION 10.** 49.151 (1) (f) of the statutes is created to read:

19 49.151 (1) (f) If the individual is a participant under s. 49.147 (4) (c), the
20 individual fails, without good cause, to participate in job search activities required
21 under s. 49.147 (4) (c) 3.

22 **SECTION 11.** 49.175 (1) (qm) 1. of the statutes, as created by 1999 Wisconsin Act
23 (this act), is renumbered 49.175 (1) (qm) and amended to read:

1 49.175 (1) (qm) ~~Except as provided in subd. 2., for~~ For contracts under s. 49.143
2 entered into or renewed prior to December 31, 1999, \$32,844,700 in fiscal year
3 1999-2000.

****NOTE: This is reconciled s. 49.175 (1) (qm) 1. This SECTION has been affected by
drafts with the following LRB numbers: 0702/6 and 1611/5. This reconciled section has
a delayed effective date of 1-1-2001.

affected amended ✓
MM

4 **SECTION 12.** 49.175 (1) (qm) 2. of the statutes, as ~~created~~ by 1999 Wisconsin Act
5 (this act), is repealed.

****NOTE: This is reconciled s. 49.175 (1) (qm) 2. This SECTION has been affected by
drafts with the following LRB numbers: 0702/6 and 1611/5. This reconciled section has
a delayed effective date of 1-1-2001.

6 **SECTION 13.** 71.07 (9e) (af) (intro.) of the statutes is amended to read:

7 71.07 (9e) (af) (intro.) For taxable years beginning after December 31, 1995,
8 and subject to par. (fame), any natural person may credit against the tax imposed
9 under s. 71.02 an amount equal to one of the following percentages of the federal
10 basic earned income credit for which the person is eligible for the taxable year under
11 section 32 (b) (1) (A) to (C) of the internal revenue code:

12 **SECTION 14.** 71.07 (9e) (fame) of the statutes is created to read:

13 71.07 (9e) (fame) If a natural person who is otherwise eligible for the credit
14 under this subsection is also participating in Wisconsin works under s. 49.147 (4) (c),
15 the credit that such a natural person may claim under par. (af) shall be calculated
16 as if the calculation of the person's federal basic earned income credit described in
17 par. (af) did not include wages that the person received from a wage-paying
18 community service job under s. 49.147 (4) (c).

19 **SECTION 9343. Initial applicability; revenue.**



State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-1611/7
TAY&MES:wlj/jlg/kmg:lp

DOA:.....Sajna - Expand wage-paying CSJ to statewide

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION

1 AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau
HEALTH AND HUMAN SERVICES

WISCONSIN WORKS

Under current law, two Wisconsin works (W-2) agencies in Milwaukee County are permitted to implement a program under which certain participants in community service jobs (wholly subsidized employment) may be paid wages rather than monthly grants. To qualify for a wage-paying community service job, the participant must already be engaged in unsubsidized employment for at least 15 hours per week. Currently, a W-2 agency may not require a person to work in a wage-paying community service job more than the lesser of 15 hours per week or the difference between 40 hours and the number of hours per week that the participant works in unsubsidized employment. If the participant qualifies for the federal earned income tax credit (EITC), current law qualifies the participant for the state EITC as well. Currently, the wage-paying community service job program is scheduled to sunset on October 1, 2001.

This bill eliminates the sunset date for the wage-paying community service job program and expands the program beginning on January 1, 2001, to allow all W-2 agencies to implement it for any individual that the W-2 agency determines is capable of working in an unsubsidized job but who, despite reasonable efforts, is unable to secure full-time unsubsidized employment. However, the bill caps the number of slots for the program at 2,500 statewide. Under the bill, a participant in

a wage-paying community service job is disqualified from the state EITC with respect to any wages earned under the wage-paying community service job. Additionally, under the bill, the participant need not be engaged in unsubsidized employment to qualify for a wage-paying community service job. Finally, the bill allows a W-2 agency to require a participant in a wage-paying community service job to work in a community service job for not more than 30 hours per week and to participate in job search activities for not more than ten hours per week.

For further information see the *state and local* 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 (3) (dz) of the statutes, as affected by 1999 Wisconsin Act
2 (this act), is amended to read:

3 20.445 (3) (dz) *Wisconsin works and other public assistance administration and*
4 *benefits.* The amounts in the schedule for administration and benefit payments
5 under Wisconsin works under ss. 49.141 to 49.161, the learnfare program under s.
6 49.26, the work experience and job search program under s. 49.36 and the food stamp
7 program under s. 49.124; for payment distribution under s. 49.33 (8) for county
8 administration of public assistance benefits and medical assistance and badger care
9 eligibility determinations and payments to American Indian tribes for
10 administration of public assistance programs; to provide state aid for county
11 administered public assistance programs for which reimbursement is provided
12 under s. 49.33 (9); and for funeral expenses under s. 49.30; ~~and to transfer to the~~
13 ~~appropriation account under s. 20.835 (2) (k) the amount determined by the~~
14 ~~department of revenue under s. 49.175 (1) (b) 2.~~ Payments may be made from this
15 appropriation to counties for fraud investigation and error reduction under s. 49.197
16 (1m) and (4). Moneys appropriated under this paragraph may be used to match
17 federal funds received under par. (md). Notwithstanding ss. 20.001 (3) (a) and 20.002

1 (1), the department may transfer funds between fiscal years under this paragraph.
2 All funds allocated by the department but not encumbered by December 31 of each
3 year lapse to the general fund on the next January 1 unless transferred to the next
4 calendar year by the joint committee on finance.

****NOTE: This is reconciled s. 20.445 (3) (dz). This SECTION has been affected by
drafts with the following LRB numbers: 0702/5, 1186/3 and 1611/4. This reconciled
section has a delayed effective date of 1-1-2001.

5 **SECTION 2.** 20.835 (2) (f) of the statutes is amended to read:

6 20.835 (2) (f) *Earned income tax credit.* A sum sufficient to pay the claims
7 approved under s. 71.07 (9e), ~~except the claims paid under par. (k).~~

8 **SECTION 3.** 20.835 (2) (k) of the statutes, as created by 1997 Wisconsin Act 27,
9 is repealed.

10 **SECTION 4.** 49.147 (4) (c) 1g. of the statutes, as affected by 1997 Wisconsin Act
11 27, is repealed and recreated to read:

12 49.147 (4) (c) 1g. 'Limited participation.' Not more than 2,500 participants
13 statewide may participate under this paragraph at any given time. The department
14 shall allocate the 2,500 slots among the Wisconsin works agencies based on a formula
15 developed by the department.

16 **SECTION 5.** 49.147 (4) (c) 2. of the statutes, as affected by 1997 Wisconsin Act
17 27, is amended to read:

18 49.147 (4) (c) 2. 'Eligibility.' A Wisconsin works agency may not place an
19 individual under this paragraph unless the Wisconsin works agency determines that
20 the individual is working at least 15 hours per week in an qualified for unsubsidized
21 job employment but has been unable to secure full-time unsubsidized employment
22 despite reasonable efforts on the part of the individual.

1 **SECTION 6.** 49.147 (4) (c) 3. (intro.) of the statutes, as affected by 1997 Wisconsin
2 Act 27, is renumbered 49.147 (4) (c) 3. and amended to read:

3 49.147 (4) (c) 3. ‘Work supplementation.’ The Wisconsin works agency may
4 require a participant under this paragraph to work in a community service job for
5 not more than the lesser of the following in a community service job under this
6 paragraph: 30 hours per week and to participate in job search activities for not more
7 than 10 hours per week.

8 **SECTION 7.** 49.147 (4) (c) 3. a. and b. of the statutes, as affected by 1997
9 Wisconsin Act 27, are repealed.

10 **SECTION 8.** 49.147 (4) (c) 6. of the statutes, as affected by 1997 Wisconsin Act
11 27, is repealed.

12 **SECTION 9.** 49.148 (1) (b) 2. of the statutes, as affected by 1997 Wisconsin Act
13 27, is amended to read:

14 49.148 (1) (b) 2. For a participant in a community service job under s. 49.147
15 (4) (c), minimum wage for every hour actually worked in the community service job,
16 not to exceed ~~15~~ 30 hours per week, paid by the employer, as defined in s. 49.147 (4)
17 (c) 1.

18 **SECTION 10.** 49.151 (1) (f) of the statutes is created to read:

19 49.151 (1) (f) If the individual is a participant under s. 49.147 (4) (c), the
20 individual fails, without good cause, to participate in job search activities required
21 under s. 49.147 (4) (c) 3.

22 **SECTION 11.** 49.175 (1) (qm) 1. of the statutes, as created by 1999 Wisconsin Act
23 (this act), is renumbered 49.175 (1) (qm) and amended to read:

1 49.175 (1) (qm) ~~Except as provided in subd. 2., for~~ For contracts under s. 49.143
2 entered into or renewed prior to December 31, 1999, \$32,844,700 in fiscal year
3 1999–2000.

****NOTE: This is reconciled s. 49.175 (1) (qm) 1. This SECTION has been affected by
drafts with the following LRB numbers: 0702/6 and 1611/5. This reconciled section has
a delayed effective date of 1–1–2001.

4 **SECTION 12.** 49.175 (1) (qm) 2. of the statutes, as affected by 1999 Wisconsin
5 Act ... (this act), is repealed.

****NOTE: This is reconciled s. 49.175 (1) (qm) 2. This SECTION has been affected by
drafts with the following LRB numbers: 0702/6 and 1611/5. This reconciled section has
a delayed effective date of 1–1–2001.

6 **SECTION 13.** 71.07 (9e) (af) (intro.) of the statutes is amended to read:

7 71.07 (9e) (af) (intro.) For taxable years beginning after December 31, 1995,
8 and subject to par. (fame), any natural person may credit against the tax imposed
9 under s. 71.02 an amount equal to one of the following percentages of the federal
10 basic earned income credit for which the person is eligible for the taxable year under
11 section 32 (b) (1) (A) to (C) of the internal revenue code:

12 **SECTION 14.** 71.07 (9e) (fame) of the statutes is created to read:

13 71.07 (9e) (fame) If a natural person who is otherwise eligible for the credit
14 under this subsection is also participating in Wisconsin works under s. 49.147 (4) (c),
15 the credit that such a natural person may claim under par. (af) shall be calculated
16 as if the calculation of the person's federal basic earned income credit described in
17 par. (af) did not include wages that the person received from a wage-paying
18 community service job under s. 49.147 (4) (c).

19 **SECTION 9343. Initial applicability; revenue.**

