

1999 Session

LRB or Bill No./Adm. Rule No.
 AB 471 (99-2660/3)
 Amendment No. if Applicable

FISCAL ESTIMATE ORIGINAL UPDATED
DOA-2048 N(R10/94) CORRECTED SUPPLEMENTAL

Subject
 Business Employee's Skills Training Financial Assistance Program

Fiscal Effect
 State: No State Fiscal Effect
 Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation

Increase Existing Appropriation Increase Existing Revenues
 Decrease Existing Appropriation Decrease Existing Revenues
 Create New Appropriation

Increase Costs – May be Possible to Absorb Within Agency's Budget Yes No
 Decrease Costs

Local: No Local Government Costs

1. Increase Costs
 Permissive Mandatory
2. Decrease Costs
 Permissive Mandatory

3. Increase Revenues
 Permissive Mandatory
4. Decrease Revenues
 Permissive Mandatory

5. Types of Local Governmental Units Affected:
 Towns Villages Cities
 Counties Others _____
 School Districts WTCS Districts

Fund Sources Affected **Affected Ch. 20 Appropriations**
 GPR FED PRO PRS SEG SEG-S 20.143 (1) (c); 20.143 (1) (Lm)

Assumptions Used in Arriving at Fiscal Estimate

The bill creates the Business Employee's Skills Training (BEST) Financial Assistance Program, which would be administered by the Department of Commerce and funded out of the Wisconsin Development Fund (WDF). The program provides up to \$10,000 in financial assistance to a business that employs no more than 35 people or generates no more than \$2.5 million in gross annual income, particularly those businesses that are in industries experiencing severe labor shortages. The financial assistance would consist of one-half loan and one-half grant, and a recipient would be required to use the proceeds from the award to provide skills training or other education to its current or prospective employees.

Under this program, the Department would be authorized to award up to \$2.0 million in a fiscal biennium. Assuming an average award of \$10,000, the Department could add another 200 awards to its loan/grant portfolio in each biennium. With the additional workload that would be generated by BEST, it is estimated that the Department would need 1.0 FTE to administer the program at an annualized cost of \$48,200 and a one-time cost of \$7,000 (see table below for details).

Annualized Costs	
Salary	34,500
Fringe Benefits	12,500
Other ongoing costs	1,200
One-time Costs	
Workstation	4,000
Computer	3,000

(continued on page two)

Long-Range Fiscal Implications

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1997 Session

**FISCAL ESTIMATE
DOA-2048 N(R10/94)**

ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

LRB or Bill No./Adm. Rule No.	Amendment No.
AB 471	

Subject
Business Employee's Skills Training Financial Assistance Program

I. One-Time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):

Modular workstation--\$4,000; Personal computer--\$3,000

II. Annualized Costs:	Annualized Fiscal Impact on State Funds from:	
	Increased Costs	Decreased Costs
A. State Costs by Category		
State Operations – Salaries and Fringe	47,000	\$ -
(FTE Position Changes)	(1.0 FTE)	(- FTE)
State Operations-Other Costs	1,200	-
Local Assistance		-
Aids to Individuals or Organizations		-
TOTAL State Costs by Category	\$ 48,200	\$ -
State Costs by Source of Funds	Increased Costs	Decreased Costs
GPR	\$ 48,200	\$ -
FED		-
PRO/PRS		-
SEG/SEG-S		-
I. State Revenues – Complete this only when proposal will increase or decrease state Revenues (e.g., tax increase, decrease in license fee, etc.)	Increased Rev.	Decreased Rev.
GPR Taxes	\$	\$ -
GPR Earned		-
FED		-
PRO/PRS		-
SEG/SEG-S		-
TOTAL State Revenues	\$	\$ -

NET ANNUALIZED FISCAL IMPACT

STATE

LOCAL

NET CHANGE IN COSTS	\$ 48,200	\$
NET CHANGE IN REVENUES	\$	\$

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