



State of Wisconsin
2001 - 2002 LEGISLATURE

LRB-3327/P2

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PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

CS

Regenerate

1 AN ACT *to renumber* 120.13 (17) (title); *to renumber and amend* 49.185 (2),
2 49.185 (3) (j), 120.13 (17) and 343.10 (6); *to amend* 20.445 (3) (md), 49.1475,
3 49.185 (3) (g), 49.185 (3) (i), 71.05 (6) (a) 15., 71.08 (1) (intro.), 71.21 (4), 71.26
4 (2) (a), 71.28 (1dx) (b) 1., 71.34 (1) (g), 71.45 (2) (a) 10., 77.92 (4), 119.04 (1),
5 119.70 (5), 343.10 (1) (a) and 560.797 (4) (f); and *to create* 15.227 (14), 20.235
6 (1) (cm), 20.292 (1) (kd), 20.445 (1) (d), 36.11 (1) (cg), 38.14 (2) (e), 38.34, 39.393,
7 49.175 (1) (zp), 71.07 (5d), 71.07 (5r), 71.07 (5v), 71.10 (4) (cd), 71.10 (4) (cp),
8 71.10 (4) (k), 71.28 (1dx) (b) 1m., 71.28 (1dx) (f), 71.28 (5d), 71.28 (5r), 71.28 (5v),
9 71.30 (3) (dg), 71.30 (3) (dm), 71.30 (3) (g), 71.47 (5d), 71.47 (5r), 71.47 (5v), 71.49
10 (1) (dg), 71.49 (1) (dm), 71.49 (1) (g), 106.01 (11), 106.01 (12), 106.01 (13),
11 106.175, 106.18, 118.115 (2), 343.10 (6) (b) and 560.157 of the statutes; **relating**
12 **to:** special labor-related reports; training, education, and development zone
13 tax credits; training and education programs; providing an exemption from

- 1) emergency rule procedures; ~~providing an exemption from rule-making~~
- 2) ~~procedures~~ granting rule-making authority; and making appropriations.

Analysis by the Legislative Reference Bureau

This bill is explained in the NOTES provided by the joint legislative council in 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:

PREFATORY NOTE: This bill was prepared for the joint legislative council's special committee on labor shortage. The bill makes numerous changes to current law in a variety of subject matters. Among other things, the bill does the following:

SPECIAL LABOR-RELATED REPORTS

Labor Day Report

The bill requires the department of workforce development (DWD) to prepare an annual report on the labor supply in Wisconsin. The report must describe any critical labor shortage areas identified by DWD by occupation, region, gender, and race. The report must also recommend potential solutions for those critical labor shortages. Copies of the report must be submitted to the appropriate standing committees of the legislature, to the local workforce development boards established under the federal Workforce Investment Act of 1998 throughout the state, and to other appropriate organizations as determined by DWD.

Department of Corrections Study

The bill requires the department of corrections to report on the availability and effectiveness of programs that provide drug and alcohol abuse treatment, instruction in basic skills such as reading and math, and job skills training to prisoners. The report must include an analysis of the enrollment in and access to these programs by race compared with the racial composition of the prison population as a whole. The report must also include suggestions for programs that would help prisoners enter the workforce.

Tax Study

The bill requires the department of revenue (DOR), in cooperation with DWD, to study and report on current workforce development-related tax incentives and to make recommendations on the state's tax laws to help ensure that the state is able to attract, develop, and retain a highly skilled, highly trained workforce. In developing the report, groups representing employers, employees, taxpayers, and other appropriate groups must be consulted. The report must also consider similar tax incentives in other states.

Student Loan Forgiveness Study

The bill requires the higher educational aids board (HEAB), by January 1, 2002, to study and report on the cost, desirability, and effectiveness of creating a student loan forgiveness program to attract workers to the state.

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Jobs Skills Training Program Report

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The bill requires DWD to collect information concerning the availability of basic job skills training programs in the state and periodically prepare reports identifying those programs for distribution to local workforce development boards, job centers, and other appropriate organizations. To the extent practicable, the reports must identify available training programs by region.

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TAX INCENTIVES

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Productivity Enhancement Training Tax Credit

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The bill provides a nonrefundable business tax credit for expenses incurred by a business to provide certain training to the business's employees. The credit equals 100% of the business's certified training expenses, up to a maximum of \$7,500 per year. Eligible training expenses include up to \$2,000 incurred for pre-training assessment and consultation services. The credit may not be claimed for amounts deducted by the business under the Internal Revenue Code as ordinary and necessary business expenses. Unused credits may be carried forward for up to 15 years. Under the bill, sole proprietorships, corporations, and insurers may claim the credit. Partnerships, limited liability companies, and tax option corporations compute the credit but pass it on to the partners, members, and shareholders in proportion to their ownership interests.

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The purpose of the credit is to encourage businesses to provide training to their employees to improve productivity and to promote, and provide workers for, high-skill and high-wage jobs.

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To qualify for the credit, the department of commerce must certify the business's productivity enhancement training expenses. To be eligible to have its expenses certified, the business must submit to the department of commerce a productivity enhancement training plan designed to: (1) increase employee productivity; and (2) result in employees holding jobs in the business that require higher degrees of skill to perform and that pay higher wages than their current jobs. In addition, the business must receive pre-training needs assessment and consultation from an experienced provider of productivity assessments, as approved by the department of commerce. Finally, the business must submit an accounting of its productivity enhancement training expenses so that the department of commerce may determine if the expenses were incurred under the training plan.

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Each business that has its expenses certified and that claims the tax credit must report to the department of commerce, by March 1 of the year the business receives the certification, on the results of its productivity enhancement training and on its success in meeting the goals established in its productivity enhancement training plan. The department of commerce is required to report to the legislature by December 1 annually on the effectiveness of the program.

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The tax credit is available for taxable years beginning after December 1, 2000. No business may be certified for tax credits for any taxable year beginning after December 31, 2009.

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Apprenticeship Tax Credit

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The bill creates an income tax and franchise tax credit for an employer that pays wages to an apprentice who is participating in a two-year to five-year apprenticeship program in which the apprentice is receiving instruction leading to qualification as a skilled journeyman in any industrial manufacturing trade, any private sector service occupation, or certain construction trades. The amount of the credit is 5% of the wages that are paid to an apprentice in a taxable year, but cannot exceed \$1,400, except that, in the taxable year in which the apprentice completes the apprenticeship program, the

five percent

amount of the credit is ^{eight percent} 8% of the wages that are paid to an apprentice, but cannot exceed \$3,000. An employer will not receive the credit unless the employer enters into an agreement with DWD permitting DWD to post on DWD's Internet site the employer's name and address and the number of apprentices and journeymen that the employer employs during the year. Generally, no employer may claim the credit for taxable years beginning after December 31, 2004, if the number of employers training apprentices does not increase by more than 40% from January 1, 2002, to December 31, 2004.

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Education Tax Credit

The bill creates an income tax and franchise tax credit for businesses that pay tuition for an individual to attend a university, college, or technical college. Sole proprietorships, corporations, and insurers may claim the credit. Partnerships, limited liability companies, and tax-option corporations compute the credit but pass it on to the partners, members, and shareholders in proportion to their ownership interests. The credit is an amount equal to: (1) 50% of the tuition paid by a business for an individual to attend school in a taxable year, if the individual is enrolled in a degree-granting program; and (2) 75% of the tuition paid by a business for an individual to attend school in a taxable year, if the individual is enrolled in a degree-granting program and if the individual's taxable income is not more than 185% of the federal poverty line. If the credit claimed by a business exceeds the business's tax liability, the state will not issue a refund check, but the business may carry forward any remaining credit to subsequent taxable years.

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Development Zone Tax Credits

Under current law, a person may claim an income tax credit for up to 50% of the person's environmental remediation expenses incurred in a development zone. Under current law, the credit may not be transferred between persons, and a municipality or nonprofit organization that engages in remedial remediation activities in a development zone may not claim a credit.

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This bill provides that any person eligible to claim a credit for remediation expenses incurred in a development zone may transfer the right to claim the credit to any other person subject to taxation in this state. In addition, the bill provides that a person may claim a credit for 50% of the amount expended by a municipality or a tax-exempt or nonprofit organization for environmental remediation in a development zone, if the municipality or organization has entered into an exclusive written agreement with the person claiming the credit. The bill requires DOR to promulgate rules implementing the credit transfer provisions.

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TRAINING AND EDUCATION

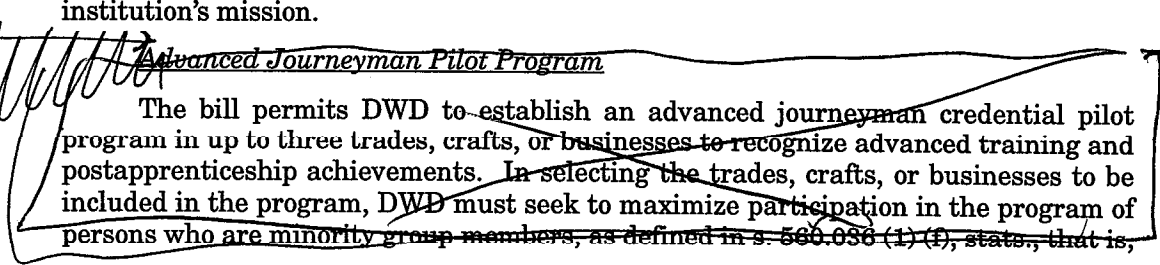
Job Training Access Policies

The bill requires every public educational institution in the state to have a policy regarding access to their facilities by local organizations and businesses for the purpose of employment-related training. If the policy allows for such access, the policy shall set a reasonable cost. The policy may allow access based on the availability of space and the appropriateness of the training and only insofar as access would be consistent with the institution's mission.

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Advanced Journeyman Pilot Program

The bill permits DWD to establish an advanced journeyman credential pilot program in up to three trades, crafts, or businesses to recognize advanced training and postapprenticeship achievements. In selecting the trades, crafts, or businesses to be included in the program, DWD must seek to maximize participation in the program of persons who are minority group members, as defined in s. 560.036 (1) (f), stats., that is,



~~persons who are Black, Hispanic, American Indian, Eskimo, Aleut, native Hawaiian, Asian-Indian, or of Asian-Pacific origin. The bill requires DWD to submit to the legislature, by July 1, 2004, an evaluation of the effectiveness of the program.~~

~~The bill appropriates \$160,000 in fiscal year 2001-02 and \$120,000 in fiscal year 2002-03 and authorizes one additional full-time equivalent position for the implementation and development of the program.~~

Workplace Diversity Grant Program

The bill creates a workplace diversity grant program administered by DWD. Under the program, local, nonprofit organizations that offer diversity training, basic employment skills development, or instruction in English as a second language to employees and to persons seeking employment may qualify for grants.

A local, nonprofit organization is qualified for a grant if any of the following apply:

(1) The governing body of the local, nonprofit organization is comprised of representatives of private sector employers and local government units or agencies, and the local, nonprofit organization assists local employers in meeting their workforce needs.

(2) The local, nonprofit organization assists persons who have been convicted of a crime, whether employed or not, in strengthening or developing their employment skills and in making or easing their transition from incarceration to work.

(3) The local nonprofit organization assists any of the following persons, whether employed or not, in preparing for or gaining entry into the skilled trades: (a) persons eligible for the Wisconsin works program (commonly referred to as "W-2"); (b) military veterans; (c) persons who have been convicted of a crime; (d) persons eligible for food stamps; and (e) minority group members.

DWD must attempt to award grants to eligible organizations from different geographic regions of the state. The bill appropriates \$120,000 for the grants in fiscal year 2001-02 and limits the amount of a grant to any given organization to \$30,000.

Applications for the grants must be received by December 1, 2001, and the grants must be awarded by January 1, 2002.

The bill requires DWD, by September 1, 2002, to report on the grant program, including the uses made of the grants. The report must recommend whether the program should be funded in the next biennium and, if continued funding is recommended, the report must recommend an appropriate funding level and any changes that should be made to the program.

Job Retention Skills Development Program

The bill requires each technical college district board to make available, and offer at a frequency based upon demand in the district, a job retention skills development program to assist employers to retain new employees, build the job skill levels of those employees, and assist those employees to attain higher wages and long-term careers. To the extent practicable, the program must be provided at employment sites.

The program must emphasize job retention skills development for employees with incomes at or below 200% of the federal poverty line who are current or former recipients of public assistance, employees in the first six months of employment with their employer, and entry-level employees.

In supervising and establishing minimum requirements for the program, the state technical college system board (state board) must consult with employers, technical college district boards (district boards), W-2 agencies, local units of government, and labor organizations. The program must include elements relating to the skills needed to



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show up for work on time, to work effectively in a team, to communicate with supervisors and coworkers, and to solve basic job-related personal and interpersonal problems.

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The bill requires the state board, in consultation with employers, district boards, and DWD, to develop standards to assess the job retention and skills competencies of participants before and after participation in the program. The program expires on December 31, 2004.

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Further, the bill requires district boards to assist employers in providing ongoing job retention skills development and reinforcement activities in the work place. The bill also allows district boards to charge employers a fee for the program and services offered to employers. Under the bill, \$200,000 of federal temporary assistance for needy families block grant funds is used to implement the program.

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Finally, the bill requires W-2 agencies to coordinate case management services that are provided to W-2 participants in unsubsidized employment with the job retention skills development program.

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Nursing Student Loan Forgiveness Program

The bill directs HEAB to establish a loan and loan forgiveness program for a person who is pursuing an associate's degree in nursing, a bachelor's degree in nursing, or a diploma in nursing or who is enrolled in a second degree program that will make the person eligible to take the nursing licensure examination. To the extent possible, HEAB must give the loans to persons who are likely to work in the nursing profession in Wisconsin upon completion of their program and who demonstrate a financial need for the loans. HEAB must give priority to minority group members who reside in urban areas of this state that have unemployment rates higher than the state average.

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The maximum amount of loans that a person may receive under the program in a fiscal year is \$3,000 and the total amount of loans that a person may receive under the program is \$15,000. A loan recipient is not required to repay the loan while enrolled in a nursing program.

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After the recipient has completed the nursing program, HEAB must forgive 25% of the loan's principal and interest for the first fiscal year that the recipient is licensed and employed full-time in Wisconsin as a nurse. Similarly, HEAB must forgive 25% of the loan's principal and interest for the second fiscal year and 50% for the third fiscal year. HEAB may forgive loans on a prorated basis for recipients employed less than fulltime.

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HEAB is required to promulgate rules to administer the program.

The bill appropriates \$450,000 in fiscal year 2002-03 for the purpose of making loans under the program.

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Preapprenticeship Basic Skills Training

The bill directs DWD to contract with an organization of employees, an association of employers, or some other similar responsible agency in this state (organization) to provide preapprenticeship basic skills training grants of up to \$500 to persons whose family income does not exceed 165% of the federal poverty line and who have previously failed a test for placement in an apprenticeship program providing instruction in an industrial manufacturing trade, a private sector service occupation, or certain construction trades, but who wish to participate in such a program. A person who receives a preapprenticeship basic skills training grant may use the grant moneys received to pay for the costs of tuition, fees, books, supplies, and materials, and for any other direct training costs, required to attend a preapprenticeship basic skills training program provided by an organization, a technical college, or a proprietary school approved by the educational approval board.

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Employment Skills Advancement Program

Under current law, DWD awards grants of up to \$500 to eligible individuals for the costs of tuition, books, transportation, or other direct costs of training or education in a vocational or educational program. As a condition of eligibility for a grant, an individual's income may not exceed 165% of the federal poverty line and the individual must contribute matching funds equal to the amount of the grant that he or she receives. Finally, under current law, the total amount of all grants awarded to an individual may not exceed \$500.

The bill increases the maximum income level for eligibility for an employment skills advancement grant to 185% of the federal poverty line and reduces the amount of matching funds that an individual is required to contribute to 50% of the amount of the grant that an individual receives. Also, the bill increases the maximum amount of all grants that an individual may receive to \$1,000.

Finally, the bill directs DWD to study and report, by January 1, 2002, on ways to encourage employers to contribute matching funds to individuals eligible to receive an employment skills advancement grant. The report must include a consideration of the desirability and effectiveness of offering tax incentives to employers to do so.

OTHER

Occupational Driver's License Fee

Prior to passage of 1999 Wisconsin Act 9, the biennial budget act, a person could have his or her operating privileges suspended for failing to pay a judgment for an ordinance violation unrelated to the person's operation of a motor vehicle. Although Act 9 repealed this authority, the act did not restore operating privileges to persons who had their operating privileges suspended prior to Act 9. Under current law, a person whose operating privilege is suspended for failing to pay a judgment for an ordinance violation is not eligible to apply for an occupational driver's license.

This bill allows a person whose operating privilege was suspended solely for failing to pay a judgment for an ordinance violation unrelated to the operation of a motor vehicle to apply for an occupational driver's license upon payment of a \$10 fee. This fee represents a reduction from the \$40 application fee generally charged for an occupational license.

Apprenticeship Marketing Program

The bill requires DWD to conduct apprenticeship marketing activities, including the development and provision of promotional materials directed at encouraging employers to hire apprentices, educating high school career counselors on careers available in the skilled trades, encouraging the youth of this state to consider a career in the skilled trades, and otherwise promoting the availability and benefits of careers in the skilled trades. The bill requires DWD to solicit contributions from private sources to assist in the provision of those promotional materials and to seek the advice of and consult with the apprenticeship marketing council created by the bill regarding the administration of those apprenticeship marketing activities.

- 1 SECTION 1. 15.227 (14) of the statutes is created to read:
- 2 15.227 (14) APPRENTICESHIP MARKETING COUNCIL. There is created in the
- 3 department of workforce development an apprenticeship marketing council
- 4 appointed by the secretary of workforce development. The council shall consist of 4

1 members appointed for 3-year terms who represent the interests of employees, 4
 2 members appointed for 3-year terms who represent the interests of employers, and
 3 2 employees of the department of workforce development to serve at the pleasure of
 4 the secretary.

5 **SECTION 2.** 20.005 (3) (schedule) of the statutes: at the appropriate place, insert
 6 the following amounts for the purposes indicated:

7 2001-02 2002-03

20.235 Higher educational aids board					
(1)	STUDENT SUPPORT ACTIVITIES				
(cm)	Nursing degree loan program	GPR	A	-0-	\$450,000

11 **20.445 Workforce development, department of**

12 (1) WORKFORCE DEVELOPMENT

13 (d) Workplace diversity grant pro-
 14 gram

GPR	A	\$120,000	-0-
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15 ~~SECTION 3. 20.235 (1) (cm) of the statutes is created to read:~~
 16 ~~20.235 (1) (cm) Nursing degree loan program. The amounts in the schedule for~~
 17 ~~the nursing degree loan program under s. 39.393.~~

18 **SECTION 4.** 20.292 (1) (kd) of the statutes is created to read:

19 20.292 (1) (kd) *Job retention skills development programs.* All moneys
 20 transferred from the appropriation account under s. 20.445 (3) (md) for job retention
 21 skills development programs under s. 38.34. No moneys may be encumbered from
 22 this appropriation after June 30, 2003.

23 **SECTION 5.** 20.445 (1) (d) of the statutes is created to read:

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Wisconsin Act
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1 **20.445**(1) (d) *Workplace diversity grant program*. The amounts in the schedule
2 for workplace diversity grants under 2001 Wisconsin Act ... (this act), section 20.445(3).

3 ~~No moneys may be encumbered from this appropriation after June 30, 2002.~~

4 SECTION 6. 20.445 (3) (md) of the statutes is amended to read:

5 20.445 (3) (md) *Federal block grant aids*. The amounts in the schedule, less
6 the amounts withheld under s. 49.143 (3), for aids to individuals or organizations and
7 to be transferred to the appropriation accounts under ~~sub. (7) (kc)~~ and ss. 20.255 (2)
8 (kh) and (kp), 20.292 (1) (kd), 20.433 (1) (k), 20.434 (1) (kp) and (ky), 20.435 (3) (kc),
9 (kd), (km), and (ky), (5) (ky), (7) ~~(kw)~~ and (ky) and (8) (kx), 20.465 (4) (k) and 20.835
10 (2) (kf). All block grant moneys received for these purposes from the federal
11 government or any of its agencies and all moneys recovered under s. 49.143 (3) shall
12 be credited to this appropriation account.

13 SECTION 7. 36.11 (1) (cg) of the statutes is created to read:

14 36.11 (1) (cg) The board shall ensure that each institution and college campus
15 establishes a written policy regarding the use of classrooms and facilities by local
16 organizations and businesses for employment-related training. The policy may
17 condition access on payment of a reasonable fee, the availability of space, and the
18 appropriateness of the training. The policy may limit access to activities that are
19 consistent with the mission of the institution or college campus.

20 SECTION 8. 38.14 (2) (e) of the statutes is created to read:

21 38.14 (2) (e) Each district board shall establish a written policy regarding the
22 use of classrooms and facilities by local organizations and businesses for
23 employment-related training. The policy may condition access on payment of a
24 reasonable fee, the availability of space, and the appropriateness of the training. The

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1 policy may limit access to activities that are consistent with the mission of the
2 technical college.

3 SECTION 9. 38.34 of the statutes is created to read:

4 38.34 Job retention skills development programs. (1) Each district
5 board shall make available, and shall offer at a frequency based upon demand in the
6 district, a job retention skills development program in order to assist employers to
7 retain new employees, build job skill levels of those employees, and assist those
8 employees in attaining higher wages and long-term careers. To the extent
9 practicable, the district board shall offer the program at employment sites. The
10 program shall emphasize job retention skills development for employees with gross
11 incomes at or below 200% of the poverty line, as defined in s. 49.001 (5), who are any
12 of the following:

13 (a) Current or former recipients of public assistance, including participants in
14 Wisconsin works employment positions under s. 49.147.

15 (b) Employees who are within the first 6 months of employment with their
16 employer.

the employees

17 (c) Entry-level employees.

18 (2) The program shall provide training in all of the following:

19 (a) Skills needed to achieve punctuality and consistency in attendance at ~~place of~~
20 employment.

21 (b) Skills needed to effectively work in a team.

22 (c) Skills needed to effectively communicate with supervisors and coworkers.

23 (d) Skills needed to solve basic workplace-related personal and interpersonal
24 problems.

1 (3) (a) The board shall supervise, and establish minimum requirements for, the
2 program. Except as provided in sub. (2), the board shall determine the length and
3 content of the program after consultation with employers, district boards, Wisconsin
4 works agencies, as defined in s. 49.001 (9), local units of government, and labor
5 organizations.

6 (b) In consultation with employers, district boards, and the department of
7 workforce development, the board shall develop standards for assessing the job
8 retention skills, including the skills specified in sub. (2), of employees before and
9 after their participation in the program.

10 (4) To the extent practicable, the district board shall assist employers in
11 providing ongoing job retention skills development and reinforcement activities in
12 the workplace. The district board may charge employers a fee for the program and
13 services offered under this section.

14 (5) This section does not apply after December 31, 2004.

15 ~~SECTION 10. 39.393 of the statutes is created to read:~~

16 ~~**39.393 Nursing degree loan program.** (1) The board shall establish a loan~~
17 ~~program to defray the cost of tuition, fees, and expenses for persons enrolled in any~~
18 ~~of the following:~~

19 ~~(a) A program in this state that confers an associate degree in nursing.~~
20 ~~(b) A program in this state that confers a bachelor's degree in nursing.~~
21 ~~(c) A program in this state that confers a 2nd degree that will make the person~~
22 ~~eligible to sit for an examination under s. 441.04 or 441.10.~~
23 ~~(d) A program in this state that confers a diploma in nursing.~~

1 ~~(2) (a) To the extent possible, the board shall make loans to persons who are~~
 2 ~~likely to work in the nursing profession in this state upon completion of the program~~
 3 ~~under sub. (1) and who demonstrate a financial need for the aid.~~

4 ~~(b) In making loans under this section, the board shall give priority to persons~~
 5 ~~who are minority group members, as defined in s. 560.036 (1) (f), and who reside in~~
 6 ~~urban areas of this state that have unemployment rates higher than the state~~
 7 ~~average.~~

8 ~~(c) The board shall make loans under this section from the appropriation under~~
 9 ~~s. 20.235 (1) (cm). The maximum amount of loans that a person may receive during~~
 10 ~~any fiscal year is \$3,000. The maximum amount of all loans that a person may~~
 11 ~~receive under this section is \$15,000. The board shall ensure that the terms of the~~
 12 ~~loan do not require a loan recipient to repay the loan while the recipient is enrolled~~
 13 ~~in a program under in sub. (1).~~

14 ~~(3) After the recipient of a loan under sub. (1) has completed the program~~
 15 ~~described in sub. (1), the board shall forgive 25% of the loan's principal and interest~~
 16 ~~for the first fiscal year, 25% of the loan's principal and interest for the 2nd fiscal year,~~
 17 ~~and 50% of the loan's principal and interest for the 3rd fiscal year that the recipient~~
 18 ~~is licensed and employed full time in this state as a nurse. The board may forgive~~
 19 ~~loans on a prorated basis for persons who are employed less than full time.~~

20 ~~(4) The board shall promulgate rules to implement and administer this section.~~

21 **SECTION 11.** 49.1475 of the statutes is amended to read:

22 **49.1475 Follow-up services.** Following any follow-up period required by the
 23 contract entered into under s. 49.143, a Wisconsin works agency may provide case
 24 management services for an individual who moves from a Wisconsin works
 25 employment position to unsubsidized employment to help the individual retain the

1 unsubsidized employment. Case management services may include the provision of
 2 employment skills training; English as a 2nd language classes, if the Wisconsin
 3 works agency determines that the course will facilitate the individual's efforts to
 4 retain employment; a course of study meeting the standards established under s.
 5 115.29 (4) for the granting of a declaration of equivalency of high school graduation;
 6 or other remedial education courses. A Wisconsin works agency shall coordinate case
 7 management services with a program offered by a technical college under s. 38.34.
 8 The Wisconsin works agency may provide case management services regardless of
 9 the individual's income and asset levels.

10 **SECTION 12.** 49.175 (1) (zp) of the statutes is created to read:

11 49.175 (1) (zp) *Job retention skills development programs.* For the transfer of
 12 moneys to the technical college system board for implementation costs for job
 13 retention skills development programs under s. 38.34, \$200,000 in fiscal year
 14 2001-02.

15 ~~**SECTION 13.** 49.185 (2) of the statutes is renumbered 49.185 (2) (a) and~~
 16 ~~amended to read:~~

17 ~~49.185 (2) (a) A Subject to par. (b), a person contracting with the department~~
 18 ~~under sub. (4) may make an employment skills advancement grant of up to \$500~~
 19 ~~\$1,000 to an individual eligible under sub. (3) for tuition, books, transportation, or~~
 20 ~~other direct costs of training or education in a vocational training or education~~
 21 ~~program.~~

22 **SECTION 14.** 49.185 (3) (g) of the statutes is amended to read:

23 49.185 (3) (g) The income of the individual's family does not exceed ~~165%~~ 185%
 24 of the poverty line.

25 ~~**SECTION 15.** 49.185 (3) (i) of the statutes is amended to read:~~

1 ~~49.185 (3) (j) The individual contributes, or obtains from other sources, an~~
 2 ~~amount at least equal to 50% of the amount of the grant, for tuition, books,~~
 3 ~~transportation, or other direct costs of the training or education.~~

4 SECTION 16. 49.185 (3) (j) of the statutes is renumbered 49.185 (2) (b) and
 5 amended to read:

6 49.185 (2) (b) The total amount of the grant plus the amount of any grant that
 7 that individual has previously received all grants awarded to an individual under
 8 this section does not exceed \$500 ~~\$1,000~~.

as affected by 2001 Wisconsin Act 16,

(2dm),

9 SECTION 17. 71.05 (6) (a) 15. of the statutes is amended to read:

10 71.05 (6) (a) 15. The amount of the credits computed under s. 71.07 (2dd), (2de),
 11 (2di), (2dj), (2dL), (2dr), (2ds), (2dx) ~~and~~ (3s), (5d), (5r), and (5v) not passed through
 12 by a partnership, limited liability company or tax-option corporation that has added
 13 that amount to the partnership's, company's, or tax-option corporation's income
 14 under s. 71.21 (4) or 71.34 (1) (g).

plain comma ↑

(3g), and

15 SECTION 18. 71.07 (5d) of the statutes is created to read:

16 71.07 (5d) INDUSTRIAL, SERVICE, AND SKILLED TRADES APPRENTICESHIP CREDIT. (a)
 17 In this subsection:

18 1. "Apprentice" means a person who participates in a 2-year to 5-year
 19 apprenticeship program, as determined and approved by the department, in which
 20 the person receives instruction leading to qualification as a skilled journeyman in
 21 any industrial manufacturing trade or private sector service occupation or receives
 22 instruction in the construction trades leading to qualification as a skilled
 23 journeyman carpenter, including a floor coverer, millwright, or pile driver; laborer;
 24 ironworker; or painter, including a taper.

1 2. “Claimant” means a person who files a claim under this subsection and who
2 is a trades trainer, as determined and approved by the department.

3 3. “Department” means the department of workforce development.

4 (b) Subject to the limitations provided in this subsection, for taxable years
5 beginning after December 31, 2001, a claimant may claim as a credit against the
6 taxes imposed under s. 71.02 an amount that is equal to 5% of the wages that the
7 claimant paid to an apprentice in the taxable year, but not to exceed \$1,400, except
8 that a claimant may claim as a credit against the taxes imposed under s. 71.02 an
9 amount that is equal to 8% of the wages that the claimant paid to an apprentice in
10 the taxable year in which the apprentice completes an apprenticeship program, but
11 not to exceed \$3,000.

12 (c) No claimant may receive a credit under this subsection unless the claimant
13 enters into an agreement with the department permitting the department to post on
14 the department’s Internet site the claimant’s name and address and the number of
15 apprentices and journeymen employed by the claimant during the calendar year.

16 (d) This subsection does not apply to taxable years that begin after December
17 31, 2004, if the number of employers training apprentices in department-approved
18 programs does not increase by more than 40% from January 1, 2002, to December
19 31, 2004, as determined by the department, except that a claimant who has claimed
20 a credit for an apprentice’s wages in any taxable year beginning before January 1,
21 2005, may continue to claim a credit for the apprentice’s wages in succeeding taxable
22 years, until the apprentice completes the apprenticeship program. As soon as
23 practicable after December 31, 2004, the department shall certify to the department
24 of revenue the number of employers training apprentices in approved programs on

1 January 1, 2002, and the number of employers training apprentices in approved
2 programs on December 31, 2004.

3 (e) The carry-over provisions of s. 71.28 (4) (e) and (f), as they apply to the credit
4 under s. 71.28 (4), apply to the credit under this subsection.

5 (f) Partnerships, limited liability companies, and tax-option corporations may
6 not claim the credit under this subsection, but the eligibility for, and the amount of,
7 the credit are based on their payment of wages under par. (b). A partnership, limited
8 liability company, or tax-option corporation shall compute the amount of credit that
9 each of its partners, members, or shareholders may claim and shall provide that
10 information to each of them. Partners, members of limited liability companies, and
11 shareholders of tax-option corporations may claim the credit in proportion to their
12 ownership interests.

13 (g) Section 71.28 (4) (g) and (h), as it applies to the credit under s. 71.28 (4),
14 applies to the credit under this subsection.

15 **SECTION 19.** 71.07 (5r) of the statutes is created to read:

16 **71.07 (5r) EDUCATION CREDIT.** (a) In this subsection:

17 1. "Claimant" means a sole proprietor, a partner, a member of a limited liability
18 company, or a shareholder of a tax-option corporation who files a claim under this
19 subsection.

20 2. "Degree-granting program" means an educational program for which an
21 associate, a bachelor's, or a graduate degree is awarded upon successful completion.

22 3. "Family member" has the meaning given in s. 157.061 (7).

23 4. "Managing employee" means an individual who wholly or partially exercises
24 operational or managerial control over, or who directly or indirectly conducts, the
25 operation of the claimant's business.

1 5. “Poverty line” has the meaning given in s. 49.001 (5).

2 6. “Qualified postsecondary institution” means all of the following:

3 a. A University of Wisconsin System institution, a technical college system
4 institution, or a regionally accredited 4-year nonprofit college or university having
5 its regional headquarters and principal place of business in this state.

6 b. A school approved under s. 45.54, if the school has a physical presence, and
7 the delivery of education occurs, in this state.

8 (b) Subject to the limitations provided in this subsection, for taxable years
9 beginning after December 31, 2001, a claimant may claim as a credit against the tax
10 imposed under s. 71.02 an amount equal to the following:

11 1. Fifty percent of the tuition that the claimant paid or incurred during the
12 taxable year for an individual to participate in an education program of a qualified
13 postsecondary institution, if the individual was enrolled in a degree-granting
14 program.

15 2. Seventy-five percent of the tuition that the claimant paid or incurred during
16 the taxable year for an individual to participate in an education program of a
17 qualified postsecondary institution, if the individual was enrolled in a
18 degree-granting program and if the individual’s taxable income in the year prior to
19 commencing participation in the education program in connection with which a
20 credit is claimed is not more than 185% of the poverty line.

21 (c) A claimant may not claim the credit under par. (b) for any tuition amounts
22 that the claimant excluded under s. 71.05 (6) (b) 28. or under section 127 of the
23 Internal Revenue Code.

1 (d) A claimant may not claim the credit under par. (b) for any tuition amounts
2 that the claimant paid or incurred for a family member of the claimant or for a family
3 member of a managing employee unless all of the following apply:

4 1. The family member was employed an average of at least 20 hours a week as
5 an employee of the claimant, or ^{of} the claimant's business, during the one-year period
6 prior to commencing participation in the education program in connection with
7 which the claimant claims a credit under par. (b).

8 2. The family member is enrolled in a degree-granting program that is
9 substantially related to the claimant's business.

10 3. The family member is making satisfactory progress towards completing the
11 degree-granting program under subd. 2.

12 (e) The carry-over provisions of s. 71.28 (4) (e) and (f), as they apply to the credit
13 under s. 71.28 (4), apply to the credit under this subsection.

14 (f) Partnerships, limited liability companies, and tax-option corporations may
15 not claim the credit under this subsection, but the eligibility for, and the amount of,
16 the credit are based on their payment of tuition under par. (b). A partnership, limited
17 liability company, or tax-option corporation shall compute the amount of credit that
18 each of its partners, members, or shareholders may claim and shall provide that
19 information to each of them. Partners, members of limited liability companies, and
20 shareholders of tax-option corporations may claim the credit in proportion to their
21 ownership interest.

22 (g) Section 71.28 (4) (g) and (h), as it applies to the credit under s. 71.28 (4),
23 applies to the credit under this subsection.

24 SECTION 20. 71.07 (5v) of the statutes is created to read:

1 71.07 (5v) PRODUCTIVITY ENHANCEMENT TRAINING CREDIT. (a) In this subsection,
2 “productivity enhancement training expenses” has the meaning given in s. 560.157
3 (1).

4 (b) Subject to the limitations provided in this subsection, for taxable years
5 beginning after December 31, 2000, any partner, member of a limited liability
6 company, or a shareholder of a tax-option corporation may claim as a credit against
7 taxes otherwise due under s. 71.02 an amount that is equal to 100% of the amount
8 of the partner’s, member’s, or shareholder’s productivity enhancement training
9 expenses certified by the department of commerce under s. 560.157 in the taxable
10 year for which the expenses are certified, but that is not to exceed \$7,500.

11 (c) The carry-over provisions of section 71.28 (4) (e) and (f), as they apply to the
12 credit under s. 71.28 (4), apply to the credit under this subsection.

13 (d) A partner, member of a limited liability company, or shareholder of a
14 tax-option corporation may not claim the credit under par. (b) for any productivity
15 enhancement training expenses that the partner, member, or shareholder deducted
16 from gross income for Wisconsin income tax or franchise tax purposes under section
17 162 of the Internal Revenue Code.

18 (e) Partnerships, limited liability companies, and tax-option corporations may
19 not claim the credit under this subsection, but the eligibility for, and the amount of,
20 the credit are based on their productivity enhancement training expenses certified
21 under s. 560.157. A partnership, limited liability company, or tax-option corporation
22 shall compute the amount of credit that each of its partners, members, or
23 shareholders may claim and shall provide that information to each of them.
24 Partners, members of limited liability companies, and shareholders of tax-option
25 corporations may claim the credit in proportion to their ownership interest.

1 (f) Section 71.28 (4) (g) and (h), as it applies to the credit under s. 71.28 (4),
2 applies to the credit under this subsection.

3 (g) No credit may be claimed under this subsection for taxable years beginning
4 after December 31, 2009. Credits claimed under this subsection for taxable years
5 beginning before ~~December 31, 2009~~ ^{January 1, 2010} may be carried forward to taxable years
6 beginning after December 31, 2009, as provided under s. 71.28 (4) (f).

7 SECTION 21. 71.08 (1) (intro.) of the statutes is amended to read:

8 71.08 (1) IMPOSITION. (intro.) If the tax imposed on a natural person, married
9 couple filing jointly, trust or estate under s. 71.02, not considering the credits under
10 ss. 71.07 (1), (2dd), (2de), (2di), (2dj), (2dL), (2dr), (2ds), (2dx), (2fd), (3m), (3s), (5v),
11 (6), and (9c), 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1ds), (1dx), (1fd), (2m) and, (3), and
12 (5v), and 71.47 (1dd), (1de), (1di), (1dj), (1dL), (1ds), (1dx), (1fd), (2m) and, (3), and
13 (5v) and subchs. VIII and IX and payments to other states under s. 71.07 (7), is less
14 than the tax under this section, there is imposed on that natural person, married
15 couple filing jointly, trust or estate, instead of the tax under s. 71.02, an alternative
16 minimum tax computed as follows:

17 SECTION 22. 71.10 (4) (cd) of the statutes is created to read:

18 71.10 (4) (cd) Education credit under s. 71.07 (5r).

19 SECTION 23. 71.10 (4) (cp) of the statutes is created to read:

20 71.10 (4) (cp) Industrial, service, and skilled trades apprenticeship credit
21 under s. 71.07 (5d).

22 SECTION 24. 71.10 (4) (k) of the statutes is created to read:

23 71.10 (4) (k) Productivity enhancement training credit under s. 71.07 (5v).

24 SECTION 25. 71.21 (4) of the statutes is amended to read:

, as affected by 2001 Wisconsin Act 16,

(2dm),

1 71.21 (4) Credits computed by a partnership under s. 71.07 (2dd), (2de), (2di),
2 (2dj), (2dL), (2ds), (2dx) ^(5d) and (3s), (5r), and (5v) and passed through to partners shall
3 be added to the partnership's income. (3g), and

4 SECTION 26. 71.26 (2) (a) of the statutes ^x is amended to read:

as affected by 2001 Wisconsin Act 16,

5 71.26 (2) (a) Corporations in general. The "net income" of a corporation means

6 the gross income as computed under the ~~internal revenue code~~ ^{plain text} Internal Revenue

7 Code as modified under sub. (3) minus the amount of recapture under s. 71.28 (1di)

8 plus the amount of credit computed under s. 71.28 (1) ^{plain} and (3) ³ and (5) ³ plus the amount

9 of the credit computed under s. 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1ds) ³⁽⁴⁾ and (1dx).

10 (5d), (5r), and (5v) and not passed through by a partnership, limited liability

11 company, or tax option corporation that has added that amount to the partnership's,

12 limited liability company's, or tax-option corporation's income under s. 71.21 (4) or

13 71.34 (1) (g) plus the amount of losses from the sale or other disposition of assets the

14 gain from which would be wholly exempt income, as defined in sub. (3) (L), if the

15 assets were sold or otherwise disposed of at a gain and minus deductions, as

16 computed under the ~~internal revenue code~~ ^{plain} Internal Revenue Code as modified under

17 sub. (3), plus or minus, as appropriate, an amount equal to the difference between

18 the federal basis and Wisconsin basis of any asset sold, exchanged, abandoned, or

19 otherwise disposed of in a taxable transaction during the taxable year, except as

20 provided in par. (b) and s. 71.45 (2) and (5).

21 SECTION 27. 71.28 (1dx) (b) 1. of the statutes is amended to read:

22 71.28 (1dx) (b) 1. Fifty percent of the amount expended by the person for
23 environmental remediation in a development zone.

24 SECTION 28. 71.28 (1dx) (b) 1m. of the statutes is created to read:

1 71.28 (1dx) (b) 1m. Fifty percent of the amount expended by a municipality, as
2 defined in s. 292.01 (11), or an organization that is exempt from federal income
3 taxation under section 501 (c) (3) of the Internal Revenue Code for environmental
4 remediation in a development zone, if the municipality or organization has entered
5 into an exclusive written agreement with the person claiming the credit that
6 approves of the person claiming the credit based on the expenditures of the
7 municipality or organization. The department shall promulgate rules to implement
8 this subdivision.

9 ~~SECTION 29.~~ 71.28 (1dx) (f) of the statutes is created to read:

10 71.28 (1dx) (f) *Transfer of credits.* Any person who is eligible to claim a credit
11 under par. (b) 1. may transfer the right to claim the credit under par. (b) 1. to any
12 other person who is subject to taxation under this subchapter. The department shall
13 promulgate rules to implement this paragraph.

14 ~~SECTION 30.~~ 71.28 (5d) of the statutes is created to read:

15 71.28 (5d) INDUSTRIAL, SERVICE, AND SKILLED TRADES APPRENTICESHIP CREDIT. (a)
16 In this subsection:

17 1. "Apprentice" means a person who participates in a 2-year to 5-year
18 apprenticeship program, as determined and approved by the department, in which
19 the person receives instruction leading to qualification as a skilled journeyman in
20 any industrial manufacturing trade or private sector service occupation or receives
21 instruction in the construction trades leading to qualification as a skilled
22 journeyman carpenter, including a floor coverer, millwright, or pile driver; laborer;
23 ironworker; or painter, including a taper.

24 2. "Claimant" means a person who files a claim under this subsection and who
25 is a trades trainer, as determined and approved by the department.

1 3. “Department” means the department of workforce development.

2 (b) Subject to the limitations provided in this subsection, for taxable years
3 beginning after December 31, 2001, a claimant may claim as a credit against the
4 taxes imposed under s. 71.23 an amount that is equal to 5% of the wages that the
5 claimant paid to an apprentice in the taxable year, but not to exceed \$1,400, except
6 that a claimant may claim as a credit against the taxes imposed under s. 71.23 an
7 amount that is equal to 8% of the wages that the claimant paid to an apprentice in
8 the taxable year in which the apprentice completes an apprenticeship program, but
9 not to exceed \$3,000.

10 (c) No claimant may receive a credit under this subsection unless the claimant
11 enters into an agreement with the department permitting the department to post on
12 the department’s Internet site the claimant’s name and address and the number of
13 apprentices and journeymen employed by the claimant during the calendar year.

14 (d) This subsection does not apply to taxable years that begin after December
15 31, 2004, if the number of employers training apprentices in department–approved
16 programs does not increase by more than 40% from January 1, 2002, to December
17 31, 2004, as determined by the department, except that a claimant who has claimed
18 a credit for an apprentice’s wages in any taxable year beginning before January 1,
19 2005, may continue to claim a credit for the apprentice’s wages in succeeding taxable
20 years, until the apprentice completes the apprenticeship program. As soon as
21 practicable after December 31, 2004, the department shall certify to the department
22 of revenue the number of employers training apprentices in approved programs on
23 January 1, 2002, and the number of employers training apprentices in approved
24 programs on December 31, 2004.

1 (e) The carry-over provisions of sub. (4) (e) and (f), as they apply to the credit
2 under sub. (4), apply to the credit under this subsection.

3 (f) Partnerships, limited liability companies, and tax-option corporations may
4 not claim the credit under this subsection, but the eligibility for, and the amount of,
5 the credit are based on their payment of wages under par. (b). A partnership, limited
6 liability company, or tax-option corporation shall compute the amount of credit that
7 each of its partners, members, or shareholders may claim and shall provide that
8 information to each of them. Partners, members of limited liability companies, and
9 shareholders of tax-option corporations may claim the credit in proportion to their
10 ownership interests.

11 (g) Subsection (4) (g) and (h), as it applies to the credit under sub. (4), applies
12 to the credit under this subsection.

13 **SECTION 31.** 71.28 (5r) of the statutes is created to read:

14 **71.28 (5r) EDUCATION CREDIT.** (a) In this subsection:

- 15 1. "Claimant" means a corporation that files a claim under this subsection.
- 16 2. "Degree-granting program" means an education program for which an
17 associate, a bachelor's, or a graduate degree is awarded upon successful completion.
- 18 3. "Family member" has the meaning given in s. 157.061 (7).
- 19 4. "Managing employee" means an individual who wholly or partially exercises
20 operational or managerial control over, or who directly or indirectly conducts, the
21 operation of the claimant's business.
- 22 5. "Poverty line" has the meaning given in s. 49.001 (5).
- 23 6. "Qualified postsecondary institution" means all of the following:

1 a. A University of Wisconsin System institution, a technical college system
2 institution, or a regionally accredited 4-year nonprofit college or university having
3 its regional headquarters and principal place of business in this state.

4 b. A school approved under s. 45.54, if the school has a physical presence, and
5 the delivery of education occurs, in this state.

6 (b) Subject to the limitations provided in this subsection, for taxable years
7 beginning after December 31, 2001, a claimant may claim as a credit against the tax
8 imposed under s. 71.23 an amount equal to the following:

9 1. Fifty percent of the tuition that the claimant paid or incurred during the
10 taxable year for an individual to participate in an education program of a qualified
11 postsecondary institution, if the individual was enrolled in a degree-granting
12 program.

13 2. Seventy-five percent of the tuition that the claimant paid or incurred during
14 the taxable year for an individual to participate in an education program of a
15 qualified postsecondary institution, if the individual was enrolled in a
16 degree-granting program and if the individual's taxable income in the year prior to
17 commencing participation in the education program in connection with which a
18 credit is claimed is not more than 185% of the poverty line.

19 (c) A claimant may not claim the credit under par. (b) for any tuition amounts
20 that the claimant has excluded under section 127 of the Internal Revenue Code.

21 (d) A claimant may not claim the credit under par. (b) for any tuition amounts
22 that the claimant paid or incurred for a family member of a managing employe
23 unless all of the following apply:

24 1. The family member was employed an average of at least 20 hours a week as
25 an employee of the claimant, or the claimant's business, during the one-year period

1 prior to commencing participation in the education program in connection with
2 which the claimant claims a credit under par. (b).

3 2. The family member is enrolled in a degree-granting program that is
4 substantially related to the claimant's business.

5 3. The family member is making satisfactory progress towards completing the
6 degree-granting program under subd. 2.

7 (e) The carry-over provisions of sub. (4) (e) and (f), as they apply to the credit
8 under sub. (4), apply to the credit under this subsection.

9 (f) Partnerships, limited liability companies, and tax-option corporations may
10 not claim the credit under this subsection, but the eligibility for, and the amount of,
11 the credit are based on their payment of tuition under par. (b). A partnership, limited
12 liability company, or tax-option corporation shall compute the amount of credit that
13 each of its partners, members, or shareholders may claim and shall provide that
14 information to each of them. Partners, members of limited liability companies, and
15 shareholders of tax-option corporations may claim the credit in proportion to their
16 ownership interest.

17 (g) Subsection (4) (g) and (h), as it applies to the credit under sub. (4), applies
18 to the credit under this subsection.

19 **SECTION 32.** 71.28 (5v) of the statutes is created to read:

20 71.28 (5v) PRODUCTIVITY ENHANCEMENT TRAINING CREDIT. (a) In this subsection,
21 "productivity enhancement training expenses" has the meaning given in s. 560.157
22 (1).

23 (b) Subject to the limitations provided in this subsection, for taxable years
24 beginning after December 31, 2000, any corporation may claim as a credit against
25 taxes otherwise due under s. 71.23 an amount that is equal to 100% of the amount

1 of the corporation's productivity enhancement training expenses certified by the
2 department of commerce under s. 560.157 in the taxable year for which the expenses
3 are certified, but that is not to exceed \$7,500.

4 (c) The carry-over provisions of sub. (4) (e) and (f), as they apply to the credit
5 under sub. (4), apply to the credit under this subsection.

6 (d) A corporation may not claim the credit under par. (b) for any productivity
7 enhancement training expenses that the corporation deducted from gross income for
8 Wisconsin income tax or franchise tax purposes under section 162 of the Internal
9 Revenue Code.

10 (e) Partnerships, limited liability companies, and tax-option corporations may
11 not claim the credit under this subsection, but the eligibility for, and the amount of,
12 the credit are based on their productivity enhancement training expenses certified
13 under s. 560.157. A partnership, limited liability company or tax-option corporation
14 shall compute the amount of credit that each of its partners, members, or
15 shareholders may claim and shall provide that information to each of them.
16 Partners, members of limited liability companies, and shareholders of tax-option
17 corporations may claim the credit in proportion to their ownership interest.

18 (f) Subsection (4) (g) and (h), as it applies to the credit under sub. (4), applies
19 to the credit under this subsection.

20 (g) No credit may be claimed under this subsection for taxable years beginning
21 after December 31, 2009. Credits claimed under this subsection for taxable years
22 beginning before ~~December 31, 2009~~ *January 1, 2010*, may be carried forward to taxable years
23 beginning after December 31, 2009, as provided under sub. (4) (f).

24 **SECTION 33.** 71.30 (3) (dg) of the statutes is created to read:

25 71.30 (3) (dg) The education credit under s. 71.28 (5r).

SECTION 34. 71.30 (3) (dm) of the statutes is created to read:

71.30 (3) (dm) The industrial, service, and skilled trades apprenticeship credit under s. 71.28 (5d).

SECTION 35. 71.30 (3) (g) of the statutes is created to read:

71.30 (3) (g) Productivity enhancement training credit under s. 71.28 (5v).

SECTION 36. 71.34 (1) (g) of the statutes is amended to read:

71.34 (1) (g) An addition shall be made for credits computed by a tax-option corporation under s. 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1ds), (1dx) ~~and~~ (3) (5d), (5r), and (5v) and passed through to shareholders.

as affected by 2001 Wisconsin Act 16,

(1dm),

plain comma

, and (3g)

SECTION 37. 71.45 (2) (a) 10. of the statutes is amended to read:

71.45 (2) (a) 10. By adding to federal taxable income the amount of credit computed under s. 71.47 (1dd) to (1dx), (5d), (5r), and (5v) and not passed through by a partnership, limited liability company or tax-option corporation that has added that amount to the partnership's, limited liability company's, or tax-option corporation's income under s. 71.21 (4) or 71.34 (1) (g) and the amount of credit computed under s. 71.47 (1), (3), (4), and (5).

SECTION 38. 71.47 (5d) of the statutes is created to read:

71.47 (5d) INDUSTRIAL, SERVICE, AND SKILLED TRADES APPRENTICESHIP CREDIT. (a) In this subsection:

- 1. "Apprentice" means a person who participates in a 2-year to 5-year apprenticeship program, as determined and approved by the department, in which the person receives instruction leading to qualification as a skilled journeyman in any industrial manufacturing trade or private sector service occupation or receives instruction in the construction trades leading to qualification as a skilled

1 journeyman carpenter, including a floor coverer, millwright, or pile driver; laborer;
2 ironworker; or painter, including a taper.

3 2. "Claimant" means a person who files a claim under this subsection and who
4 is a trades trainer, as determined and approved by the department.

5 3. "Department" means the department of workforce development.

6 (b) Subject to the limitations provided in this subsection, for taxable years
7 beginning after December 31, 2001, a claimant may claim as a credit against the
8 taxes imposed under s. 71.43 an amount that is equal to 5% of the wages that the
9 claimant paid to an apprentice in the taxable year, but not to exceed \$1,400, except
10 that a claimant may claim as a credit against the taxes imposed under s. 71.43 an
11 amount that is equal to 8% of the wages that the claimant paid to an apprentice in
12 the taxable year in which the apprentice completes an apprenticeship program, but
13 not to exceed \$3,000.

14 (c) No claimant may receive a credit under this subsection unless the claimant
15 enters into an agreement with the department permitting the department to post on
16 the department's Internet site the claimant's name and address and the number of
17 apprentices and journeymen employed by the claimant during the calendar year.

18 (d) This subsection does not apply to taxable years that begin after December
19 31, 2004, if the number of employers training apprentices in department-approved
20 programs does not increase by more than 40% from January 1, 2002, to December
21 31, 2004, as determined by the department, except that a claimant who has claimed
22 a credit for an apprentice's wages in any taxable year beginning before January 1,
23 2005, may continue to claim a credit for the apprentice's wages in succeeding taxable
24 years, until the apprentice completes the apprenticeship program. As soon as
25 practicable after December 31, 2004, the department shall certify to the department

1 of revenue the number of employers training apprentices in approved programs on
2 January 1, 2002, and the number of employers training apprentices in approved
3 programs on December 31, 2004.

4 (e) The carry-over provisions of s. 71.28 (4) (e) and (f), as they apply to the credit
5 under s. 71.28 (4), apply to the credit under this subsection.

6 (f) Partnerships, limited liability companies, and tax-option corporations may
7 not claim the credit under this subsection, but the eligibility for, and the amount of,
8 the credit are based on their payment of wages under par. (b). A partnership, limited
9 liability company, or tax-option corporation shall compute the amount of credit that
10 each of its partners, members, or shareholders may claim and shall provide that
11 information to each of them. Partners, members of limited liability companies, and
12 shareholders of tax-option corporations may claim the credit in proportion to their
13 ownership interests.

14 (g) Section 71.28 (4) (g) and (h), as it applies to the credit under s. 71.28 (4),
15 applies to the credit under this subsection.

16 **SECTION 39.** 71.47 (5r) of the statutes is created to read:

17 71.47 (5r) EDUCATION CREDIT. (a) In this subsection:

- 18 1. "Claimant" means a corporation that files a claim under this subsection.
- 19 2. "Degree-granting program" means an educational program for which an
20 associate, a bachelor's, or a graduate degree is awarded upon successful completion.
- 21 3. "Family member" has the meaning given in s. 157.061 (7).
- 22 4. "Managing employee" means an individual who wholly or partially exercises
23 operational or managerial control over, or who directly or indirectly conducts, the
24 operation of the claimant's business.
- 25 5. "Poverty line" has the meaning given in s. 49.001 (5).

1 6. “Qualified postsecondary institution” means all of the following:

2 a. A University of Wisconsin System institution, a technical college system
3 institution, or a regionally accredited 4-year nonprofit college or university having
4 its regional headquarters and principal place of business in this state.

5 b. A school approved under s. 45.54, if the school has a physical presence, and
6 the delivery of education occurs, in this state.

7 (b) Subject to the limitations provided in this subsection, for taxable years
8 beginning after December 31, 2001, a claimant may claim as a credit against the tax
9 imposed under s. 71.43 an amount equal to the following:

10 1. Fifty percent of the tuition that the claimant paid or incurred during the
11 taxable year for an individual to participate in an education program of a qualified
12 postsecondary institution, if the individual was enrolled in a degree-granting
13 program.

14 2. Seventy-five percent of the tuition that the claimant paid or incurred during
15 the taxable year for an individual to participate in an education program of a
16 qualified postsecondary institution, if the individual was enrolled in a
17 degree-granting program and if the individual’s taxable income in the year prior to
18 commencing participation in the education program in connection with which a
19 credit is claimed is not more than 185% of the poverty line.

20 (c) A claimant may not claim the credit under par. (b) for any tuition amounts
21 that the claimant excluded under section 127 of the Internal Revenue Code.

22 (d) A claimant may not claim the credit under par. (b) for any tuition amounts
23 that the claimant paid or incurred for a family member of a managing employee
24 unless all of the following apply:

1 1. The family member was employed an average of at least 20 hours a week as
2 an employee of the claimant, or the claimant's business, during the one-year period
3 prior to commencing participation in the education program in connection with
4 which the claimant claims a credit under par. (b).

5 2. The family member is enrolled in a degree-granting program that is
6 substantially related to the claimant's business.

7 3. The family member is making satisfactory progress towards completing the
8 degree-granting program under subd. 2.

9 (e) The carry-over provisions of s. 71.28 (4) (e) and (f), as they apply to the credit
10 under s. 71.28 (4), apply to the credit under this subsection.

11 (f) Partnerships, limited liability companies, and tax-option corporations may
12 not claim the credit under this subsection, but the eligibility for, and the amount of,
13 the credit are based on their payment of tuition under par. (b). A partnership, limited
14 liability company, or tax-option corporation shall compute the amount of credit that
15 each of its partners, members, or shareholders may claim and shall provide that
16 information to each of them. Partners, members of limited liability companies, and
17 shareholders of tax-option corporations may claim the credit in proportion to their
18 ownership interest.

19 (f) Section 71.28 (4) (g) and (h), as it applies to the credit under s. 71.28 (4),
20 applies to the credit under this subsection.

21 **SECTION 40.** 71.47 (5v) of the statutes is created to read:

22 71.47 (5v) PRODUCTIVITY ENHANCEMENT TRAINING CREDIT. (a) In this subsection,
23 "productivity enhancement training expenses" has the meaning given in s. 560.157

24 (1).

1 (b) Subject to the limitations provided in this subsection, for taxable years
2 beginning after December 31, 2000, any corporation may claim as a credit against
3 taxes otherwise due under s. 71.43 an amount that is equal to 100% of the amount
4 of the corporation's productivity enhancement training expenses certified by the
5 department of commerce under s. 560.157 in the taxable year for which the expenses
6 are certified, but not to exceed \$7,500.

7 (c) The carry-over provisions of s. 71.28 (4) (e) and (f), as they apply to the credit
8 under s. 71.28 (4), apply to the credit under this subsection.

9 (d) A corporation may not claim the credit under par. (b) for any productivity
10 enhancement training expenses that the corporation deducted from gross income for
11 Wisconsin income tax or franchise tax purposes under section 162 of the Internal
12 Revenue Code.

13 (e) Partnerships, limited liability companies, and tax-option corporations may
14 not claim the credit under this subsection, but the eligibility for, and the amount of,
15 the credit are based on their productivity enhancement training expenses certified
16 under s. 560.157. A partnership, limited liability company, or tax-option corporation
17 shall compute the amount of credit that each of its partners, members, or
18 shareholders may claim and shall provide that information to each of them.
19 Partners, members of limited liability companies, and shareholders of tax-option
20 corporations may claim the credit in proportion to their ownership interest.

21 (f) ~~Section~~ ^{71.28} (4) (g) and (h), as it applies to the credit under s. 71.28 (4), applies
22 to the credit under this subsection.

23 (g) No credit may be claimed under this subsection for taxable years beginning
24 after December 31, 2009. Credits claimed under this subsection for taxable years

January 1, 2010

1 beginning before ~~December 31, 2009~~, may be carried forward to taxable years
2 beginning after December 31, 2009 as provided under s. 71.28 (4) (f).

3 SECTION 41. 71.49 (1) (dg) of the statutes is created to read:

4 71.49 (1) (dg) Education credit under s. 71.47 (5r).

5 SECTION 42. 71.49 (1) (dm) of the statutes is created to read:

6 71.49 (1) (dm) Industrial, service, and skilled trades apprenticeship credit
7 under s. 71.47 (5d).

8 SECTION 43. 71.49 (1) (g) of the statutes is created to read:

9 71.49 (1) (g) Productivity enhancement training credit under s. 71.47 (5v).

10 SECTION 44. 77.92 (4) of the statutes is amended to read:

as affected by 2001 Wisconsin Act 16j

11 77.92 (4) "Net business income", with respect to a partnership, means taxable
12 income as calculated under section 703 of the Internal Revenue Code; plus the items
13 of income and gain under section 702 of the Internal Revenue Code, including taxable
14 state and municipal bond interest and excluding nontaxable interest income or
15 dividend income from federal government obligations; minus the items of loss and
16 deduction under section 702 of the Internal Revenue Code, except items that are not
17 deductible under s. 71.21; plus guaranteed payments to partners under section 707

18 (c) of the Internal Revenue Code; plus the credits claimed under s. 71.07 (2dd), (2de),

19 (2di), (2dj), (2dL), (2dr), (2ds), (2dx) and (3s), (5d), (5r), and (5v); and plus or minus,

strike "and"
plain comma

and (3g)

plain comma

20 as appropriate, transitional adjustments, depreciation differences, and basis

plain comma

21 differences under s. 71.05 (13), (15), (16), (17), and (19); but excluding income, gain,

plain comma

22 loss, and deductions from farming. "Net business income", with respect to a natural

plain comma

23 person, estate, or trust, means profit from a trade or business for federal income tax

24 purposes and includes net income derived as an employe as defined in section 3121

25 (d) (3) of the Internal Revenue Code.

1 ~~SECTION 45. 106.01 (11) of the statutes is created to read:~~

2 ~~106.01 (11) The department may provide an advanced journeyman credential~~
3 ~~pilot program in up to 3 trades, crafts, or businesses to recognize advanced training~~
4 ~~and postapprenticeship achievements. In selecting the trades, crafts, or businesses~~
5 ~~to be included in the program, the department shall seek to maximize participation~~
6 ~~in the program of persons who are minority group members, as defined in s. 560.036~~
7 ~~(1) (f). By July 1, 2004, the department shall submit to the legislature under s. 13.172~~
8 ~~(2) an evaluation of the effectiveness of the program established under this~~
9 ~~subsection.~~

10 SECTION 46. 106.01 (12) of the statutes is created to read:

11 106.01 (12) From the appropriations under s. 20.445 (1) (a) and (g), the
12 department shall allocate \$150,000 in each fiscal year for apprenticeship marketing
13 activities, including the development and distribution of promotional materials
14 directed at encouraging employers to hire apprentices, educating high school career
15 counselors on careers available in the skilled trades, encouraging the youth of this
16 state to consider a career in the skilled trades, and otherwise promoting the
17 availability and benefits of careers in the skilled trades. The department shall solicit
18 contributions from private sources to assist in the provision of those promotional
19 materials and shall credit any contributions received to the appropriation account
20 under s. 20.445 (1) (g). The department shall seek the advice of and consult with the
21 apprenticeship marketing council regarding the administration of the
22 apprenticeship marketing activities provided under this subsection.

23 SECTION 47. 106.01 (13) of the statutes is created to read:

24 106.01 (13) (a) In this subsection, “industrial, service, or skilled trades
25 apprenticeship program” means a 2-year to 5-year apprenticeship program, as

1 determined and approved by the department, in which an apprentice receives
2 instruction leading to qualification as a skilled journeyman in any industrial
3 manufacturing trade or private sector service occupation or receives instruction in
4 the construction trades leading to qualification as a skilled journeyman carpenter,
5 including a floor coverer, millwright, or pile driver; laborer; ironworker; or painter,
6 including a taper.

7 (b) From the appropriation under s. 20.445 (1) (a), the department shall
8 allocate \$300,000 in each fiscal year to contract with an organization to provide
9 preapprenticeship basic skills training grants of up to \$500 to persons who are
10 eligible under this paragraph to receive those grants. A person is eligible to receive
11 a grant under this paragraph if the person's family income does not exceed 165% of
12 the poverty line for the continental United States, as revised annually by the federal
13 department of health and human services under 42 USC 9902 (2), and if the person
14 has previously failed a test for placement in an industrial, service, or skilled trades
15 apprenticeship program, but wishes to participate in such a program. A person who
16 receives a grant under this paragraph may use the grant moneys received to pay for
17 the costs of tuition, fees, books, supplies, and materials, and for any other direct
18 training costs, required to attend a preapprenticeship basic skills training program
19 provided by an organization, a technical college, or a school approved by the
20 educational approval board under s. 45.54.

21 **SECTION 48.** 106.175 of the statutes is created to read:

22 **106.175 Labor day report.** By September 1, 2001, and annually thereafter,
23 the department shall prepare and submit to the appropriate standing committees of
24 the legislature under s. 13.172 (3) a report on the labor supply in this state. The
25 report shall describe any critical labor shortage areas identified by the department

1 by occupation, region, gender, and race. The report shall also recommend potential
2 solutions for those critical labor shortages. The department shall also provide the
3 report to the local workforce development boards established under 29 USC 2832
4 throughout the state and to the other appropriate organizations as determined by
5 the department.

6 **SECTION 49.** 106.18 of the statutes is created to read:

7 **106.18 Job skills training reports.** The department shall collect
8 information concerning the availability of basic job skills training programs in the
9 state and periodically prepare reports identifying those programs for distribution to
10 local workforce development boards established under 29 USC 2832, job centers, and
11 other appropriate organizations as determined by the department. To the extent
12 practicable, the reports shall identify available training programs by region of the
13 state.

14 **SECTION 50.** 118.115 (2) of the statutes is created to read:

15 **118.115 (2)** Each school board shall establish a written policy regarding the use
16 of classrooms and facilities by local organizations and businesses for
17 employment-related training. The policy may condition access on payment of a
18 reasonable fee, the availability of space, and the appropriateness of the training. The
19 policy may limit access to activities that are consistent with the mission of the school
20 district.

21 **SECTION 51.** 119.04 (1) of the statutes is amended to read:

22 **119.04 (1)** Subchapters IV, V and VII of ch. 115, ch. 121 and ss. 66.0235 (3) (c),
23 115.01 (1) and (2), 115.28, 115.31, 115.33, 115.34, 115.343, 115.345, 115.361, 115.38
24 (2), 115.45, 118.001 to 118.04, 118.045, 118.06, 118.07, 118.10, 118.115, 118.12,
25 118.125 to 118.14, 118.145 (4), 118.15, 118.153, 118.16, 118.162, 118.163, 118.164,

1 118.18, 118.19, 118.20, 118.24 (1), (2) (c) to (f), (6) and (8), 118.245, 118.255, 118.258,
 2 118.291, 118.30 to 118.43, 118.51, 118.52, 118.55, 120.12 (5) and (15) to (26), 120.125,
 3 120.13 (1), (2) (b) to (g), (3), (14), ~~(17) to (18)~~, (19), (26), (34), (35) and (37), 120.14 and
 4 120.25 are applicable to a 1st class city school district and board.

5 SECTION 52. 119.70 ~~(5)~~ of the statutes is amended to read:

6 119.70 (5) Nothing in this section prohibits the board from granting the use of
 7 school property to religious organizations under s. ~~120.13 (17)~~ 118.115.

8 SECTION 53. 120.13 ~~(17)~~ (title) of the statutes is renumbered 118.115 (title).

9 SECTION 54. 120.13 ~~(17)~~ of the statutes is renumbered 118.115 (1) and amended
 10 to read:

11 118.115 (1) ~~Grant~~ The school board may grant the temporary use of school
 12 grounds, buildings, facilities, or equipment, upon such conditions, including fees not
 13 to exceed actual costs, as determined by the school board, to any responsible person
 14 for any lawful nonschool purpose if such use does not interfere with use for school
 15 purposes or school-related functions. Fees received under this subsection shall be
 16 paid into the school district treasury and accounted for as prescribed under s. 115.28
 17 (13). The user shall be primarily liable, and the school board secondarily liable, for
 18 any damage to property and for any expense incurred in consequence of any use of
 19 school grounds, buildings, facilities, or equipment under this subsection.

20 SECTION 55. 343.10 ~~(1)~~ (a) of the statutes is amended to read:

21 343.10 (1) (a) If a person's license or operating privilege is revoked or
 22 suspended under this chapter or s. 767.303 or 961.50, or if the person's operating
 23 privilege was suspended for failing to pay a forfeiture imposed for violating an
 24 ordinance unrelated to the person's operation of a motor vehicle under s. 345.47 (1)
 25 (b), 800.09 (1) (c), 800.095 (4) (b) 4., 938.17 (2) (d), 938.34 (8), or 938.343 (2), and if

1 the person is engaged in an occupation, including homemaking or full-time or
2 part-time study, or a trade making it essential that he or she operate a motor vehicle,
3 the person, after payment of the fee provided in sub. (6), may file an application with
4 the department setting forth in detail the need for operating a motor vehicle. No
5 person may file more than one application with respect to each revocation or
6 suspension of the person's license or operating privilege under this chapter or s.
7 767.303 or 961.50, except that this limitation does not apply to an application to
8 amend an occupational license restriction.

9 **SECTION 56.** 343.10 (6) of the statutes is renumbered 343.10 (6) (a) and
10 amended to read:

11 343.10 (6) (a) ~~No~~ Except as provided in par. (b), no person may file an
12 application for an occupational license under sub. (1) unless he or she first pays a fee
13 of \$40 to the department.

14 **SECTION 57.** 343.10 (6) (b) of the statutes is created to read:

15 343.10 (6) (b) A person whose operating privilege was suspended solely for
16 failing to pay a forfeiture imposed for violating an ordinance unrelated to the person's
17 operation of a motor vehicle under s. 345.47 (1) (b), 800.09 (1) (c), 800.095 (4) (b) 4.,
18 938.17 (2) (d), 938.34 (8), or 938.343 (2) may not file an application for an
19 occupational license under sub. (1) unless he or she first pays a fee of \$10 to the
20 department.

21 **SECTION 58.** 560.157 of the statutes is created to read:

22 **560.157 Productivity enhancement training expense certification. (1)**

23 **DEFINITION.** In this section, "productivity enhancement training expenses" means
24 expenses incurred by a business in providing training designed to increase the
25 productivity of the business's employees and to promote or create jobs that require

1 high degrees of skill to perform and that pay high wages. “Productivity enhancement
2 training expenses” includes up to \$2,000 in expenses incurred for needs assessment
3 and consultation under sub. (4) (b).

4 (2) PROGRAM. The department shall develop, implement, and administer a
5 productivity enhancement training expense certification program to assist
6 businesses in providing training to their employees that is designed to improve the
7 employees’ productivity and to promote, and provide workers for, jobs within the
8 businesses that require high degrees of skill to perform and that pay high wages.

9 (3) CERTIFICATION. The department shall certify the productivity enhancement
10 training expenses of a business for the tax credit under s. 71.07 (5v), 71.28 (5v), or
11 71.47 (5v), if the business meets the eligibility requirements under sub. (4).

12 (4) ELIGIBILITY. A business is eligible to have its productivity enhancement
13 training expenses certified if all of the following apply:

14 (a) The business submits to the department a productivity enhancement
15 training plan that the department finds does all of the following:

16 1. Provides for training of the business’s employees that will increase the
17 employees’ productivity to achieve specific goals established as a result of the
18 assessment and consultation under par. (b).

19 2. Provides for training of the business’s employees that will result in the
20 employees holding jobs within the business that require higher degrees of skill and
21 that pay higher wages than their current jobs, as determined by the assessment and
22 consultation under par. (b).

23 (b) Prior to providing any productivity enhancement training, the business
24 receives needs assessment and consultation from an entity that is experienced in

1 providing productivity assessment or business planning and that is approved by the
2 department.

3 (c) Through the needs assessment and consultation under par. (b), the business ✓
4 and the entity agree on a training plan that is appropriate for the purposes specified
5 under par. (a).

6 (d) The business submits to the department an accounting of the productivity
7 enhancement training expenses incurred by the business under the plan under par.
8 (a) and the department determines that the expenses were incurred under the plan.

9 (5) REPORTING. (a) Each business that has its productivity enhancement
10 training expenses certified under this section and that claims the tax credit under
11 s. 71.07 (5v), 71.28 (5v), or 71.47 (5v), shall report to the department, no later March
12 1 of the year after the business receives the certification, on the results of its
13 productivity enhancement training and on its success in meeting the goals
14 established in its productivity enhancement training plan. The report shall be in the
15 form prescribed by the department.

16 (b) Annually, the department shall estimate the amount of foregone state
17 revenue because of the tax credits claimed by persons certified under this section.

18 (c) Annually by December 1, the department shall report to the legislature
19 under s. 13.172 (2) ✓ on the effectiveness of the productivity enhancement training
20 certification program and the tax credits under ss. 71.07 (5v), 71.28 (5v), and 71.47
21 (5v) in meeting the purposes of the program as specified in sub. (2).

22 (6) APPLICATION. The department shall, by rule, develop application procedures
23 for productivity enhancement training certification. The application for certification
24 shall show that the applicant satisfies the requirements under sub. (4) ✓ and commits
25 to reporting under sub. (5) (a).

1 (7) NOTIFICATION. The department shall notify the department of revenue of all
2 businesses that are entitled to claim tax credits under ss. 71.07 (5v), 71.28 (5v), and
3 71.47 (5v).

4 (8) TRANSFERABILITY. The tax credits for which a business may have its
5 productivity enhancement training expenses certified under this section are not
6 transferable to another business or person.

7 (9) SUNSET. No business may be certified under this section after December 31,
8 2009, or for tax credits for any tax year beginning after December 31, 2009.

9 SECTION 59. 560.797 (4) (f) of the statutes is amended to read:

10 560.797 (4) (f) The tax benefits for which a person is certified as eligible under
11 this subsection are not transferable to another person, business, or location, except
12 as provided in s. 71.28 (1dx) (f) or to the extent permitted under section 383 of the
13 internal revenue code.

14 **SECTION 60. Nonstatutory provisions; corrections.**

15 (1) REPORT ON TREATMENT PROGRAMS FOR PRISONERS. By March 15, 2002, the
16 department of corrections shall study and report on the availability and effectiveness
17 of programs that provide prisoners with treatment for drug and alcohol abuse,
18 instruction in basic skills such as reading and math, and training in job skills. The
19 report shall include an analysis of the racial composition of the enrollment in those
20 programs compared to the racial composition of the prison population as a whole.
21 The report shall also include recommendations for establishing new programs that
22 would better prepare prisoners to enter the workforce and suggestions about how
23 current programs could be improved. The report shall be submitted to the
24 appropriate standing committees of the legislature in the manner provided in section
25 13.172 (3) of the statutes, to the joint committee on finance, and to the governor.

1 **SECTION 61. Nonstatutory provisions; higher educational aids board.**

2 (1) REPORT ON STUDENT LOAN FORGIVENESS TO ATTRACT WORKERS. By January 1,
3 2002, the higher educational aids board shall study and report to the legislature and
4 to the appropriate standing committees of the legislature, in the manner provided
5 under section 13.172 (2) and (3) of the statutes, and to the governor on the cost,
6 desirability, and effectiveness of creating a general program of student loan
7 forgiveness for attracting workers to and retaining workers in this state. The report
8 shall include legislative recommendations.

9 **SECTION 62. Nonstatutory provisions; revenue.**

10 (1) REPORT ON TAX INCENTIVES. The department of revenue, in cooperation with
11 the department of workforce development, shall by January 1, 2002, study and
12 report on existing incentives in the income tax code in the form of credits and
13 deductions available to employers for providing training to employees, for offering
14 transportation and child care benefits to employees, for locating places of
15 employment in areas of high unemployment and for employing ex-felons, recipients
16 of public assistance, and minorities. The report shall include an analysis of the costs
17 and effects of such credits and deductions, an analysis of such benefits offered by
18 other states, and recommendations for improvements to the state's tax laws designed
19 to help attract, develop, and retain a highly skilled, highly trained workforce while
20 maintaining a sound, stable tax base. In developing recommendations, the
21 department of revenue shall consult with groups representing the interests of
22 employers, employees, taxpayers, and any other groups that the department of
23 revenue considers appropriate. The report shall be submitted to the appropriate
24 standing committees of the legislature, the joint committee on finance, and the
25 governor.

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SECTION 63. Nonstatutory provisions; workforce development.

~~(1) EMPLOYMENT SKILLS ADVANCEMENT REPORT. The department of workforce development shall, by January 1, 2002, study and report on ways to encourage employers to contribute qualifying amounts under section 49.185 (3) (i) of the statutes, as affected by this act, to individuals who are eligible to receive an employment skills advancement grant under section 49.185 of the statutes, as affected by this act. The report shall include a consideration of the desirability and effectiveness of offering tax incentives to employers to do so. The report shall be submitted to the joint committee on finance and the governor.~~

(2) APPRENTICESHIP MARKETING COUNCIL; INITIAL TERMS. Notwithstanding the length of terms specified for the members of the apprenticeship marketing council under section 15.227 (14) of the statutes, as created by this act, representing the interests of employees and the members of that council representing the interests of employers, the initial members of that council representing the interests of employees and the initial members of that council representing the interests of employers shall be appointed for the following terms:

(a) One member representing employees and one member representing employers, for terms expiring on July 1, 2001. ✓

(b) One member representing employecs and one member representing employers, for terms expiring on July 1, 2002. ✓

(c) Two members representing employees and 2 members representing employers, for terms expiring on July 1, 2003. ✓

(d) WORKPLACE DIVERSITY GRANT PROGRAM. (a) The department of workforce development shall administer a grant program under which local, nonprofit organizations that offer diversity training, basic employment skills development, or

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1 instruction in English as a 2nd language to employees and persons seeking
2 employment may receive grants for the operation of those activities.

3 (b) A local, nonprofit organization is qualified for a grant under this subsection
4 if any of the following applies:

5 1. The governing body of the local, nonprofit organization is comprised of
6 representatives of private sector employers and local governmental units or
7 agencies, and the local, nonprofit organization assists local employees in meeting
8 their workforce needs.

9 2. The local, nonprofit organization assists persons who have been convicted
10 of a crime, whether employed or not, in strengthening or developing their
11 employment skills and in making or easing their transition from incarceration to
12 work.

13 3. The local, nonprofit organization assists any of the following persons,
14 whether employed or not, in preparing for or gaining entry into the skilled trades:

15 a. Persons who are eligible for benefits under the Wisconsin works program
16 under sections 49.141 to 49.161 of the statutes.

17 b. Persons who are military veterans.

18 c. Persons who have been convicted of a crime.

19 d. Persons who are eligible for food stamps under section 49.124 of the statutes.

20 e. Persons who are minority group members, as defined in section 560.036 (1)

21 (f) of the statutes.

22 (c) To the extent practicable, the department of workforce development shall
23 ensure that the grants under this subsection are awarded to local, nonprofit
24 organizations from different geographic regions of the state.

1 (d) To qualify for a grant under this subsection, a local, nonprofit organization
2 must apply to the department of workforce development by December 1, 2001. The
3 application shall describe how the organization qualifies for a grant under
4 paragraphs (a) and (b) and how the organization will use the grant.

5 (e) The department of workforce development shall promulgate emergency
6 rules under section 227.24 of the statutes to establish criteria to be used in
7 determining which qualified local, nonprofit organizations are eligible for grants
8 under this subsection. Notwithstanding section 227.24 (1) (a) and (3) of the statutes,
9 the department of workforce development is not required to provide evidence that
10 promulgating an emergency rule under this paragraph is necessary for the
11 preservation of public peace, health, safety, or welfare, and is not required to provide
12 a finding of emergency for a rule promulgated under this paragraph.

13 (f) The department of workforce development may not expend more than
14 \$30,000 as grants under this subsection for any given local, nonprofit organization.

15 (g) By January 1, 2002, the department of workforce development shall make
16 the grants under this subsection from the appropriation under section 20.445 (1) (d)
17 of the statutes, as created by this act.

18 (h) By September 1, 2002, the department of workforce development shall
19 report on the grant program under this subsection, including the uses that the grant
20 recipients made of the grants and a recommendation on whether the grant program
21 should be funded in the next biennium and, if so, a recommendation of an
22 appropriate finding level and any changes that should be made to the program. The
23 report shall be submitted to the appropriate standing committees of the legislature
24 in the manner provided under section 13.172 (3) of the statutes, to the joint
25 committee on finance, and to the governor.

SECTION 64. Appropriation changes.

~~(1) ADVANCED JOURNEYMAN CREDENTIAL PILOT PROGRAM. In the schedule under section 20.005 (3) of the statutes for the appropriation to the department of workforce development under section 20.445 (1) (a) of the statutes, as affected by the acts of 2001, the dollar amount is increased by \$160,000 for fiscal year 2001-02 and the dollar amount is increased by \$120,000 for fiscal year 2002-03 to increase the authorized FTE positions for the department by 1.0 GPR position for the implementation and development of the advanced journeyman credential pilot program under section 106.01 (11) of the statutes, as created by this act.~~

(2) JOB RETENTION SKILLS DEVELOPMENT PROGRAMS. There is transferred from the appropriation to the department of workforce development under section 20.445 (3) (md) of the statutes, as affected by the acts of 2001, to the appropriation to the technical college system college board under section 20.292 (1) (kd) of the statutes, as created by this act, \$200,000 in fiscal year 2001-02.

(3) PREAPPRENTICESHIP BASIC SKILLS TRAINING GRANTS. In the schedule under section 20.005 (3) of the statutes for the appropriation to the department of workforce development under section 20.445 (1) (a) of the statutes, as affected by the acts of 2001, the dollar amount is increased by \$300,000 for fiscal year 2001-02 and the dollar amount is increased by \$300,000 for fiscal year 2002-03 to increase funding for preapprenticeship basic skills training grants under section 106.01 (13) (b) of the statutes, as created by this act.

(4) APPRENTICESHIP MARKETING ACTIVITIES. In the schedule under section 20.005 (3) of the statutes for the appropriation to the department of workforce development under section 20.445 (1) (a) of the statutes, as affected by the acts of 2001, the dollar amount is increased by \$150,000 for fiscal year 2001-02 and the dollar amount is

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1 increased by \$150,000 for fiscal year 2002-03 to increase funding for the
 2 apprenticeship marketing activities specified under section 106.01 (12) of the
 3 statutes, as created by this act.

4 (6) APPRENTICESHIP MARKETING POSITIONS. In the schedule under section 20.005
 5 (3) of the statutes for the appropriation to the department of workforce development
 6 under section 20.445 (1) (a) of the statutes, as affected by the acts of 2001, the dollar
 7 amount is increased by \$125,000 for fiscal year 2001-02 and the dollar amount is
 8 increased by \$125,000 for fiscal year 2002-03 to increase the authorized FTE
 9 positions for the department by 2.0 GPR positions for the marketing of
 10 apprenticeship training in this state.

11 (6) INTERNET POSTING OF EMPLOYERS PROVIDING APPRENTICESHIP TRAINING. In the
 12 schedule under section 20.005 (3) of the statutes for the appropriation to the
 13 department of workforce development under section 20.445 (1) (a) of the statutes, as
 14 affected by the acts of 2001, the dollar amount is increased by \$10,000 for fiscal year
 15 2001-02 and the dollar amount is increased by \$10,000 for fiscal year 2002-03 to
 16 increase funding for the department to post on its Internet site the name and address
 17 of, and the numbers of apprentices and journeyman employed by, each person that
 18 is claiming an industrial, service, and skilled trades apprenticeship tax credit under
 19 section 71.07 (5d), 71.28 (5d), or 71.47 (5d) of the statutes, as created by this act. ✓

20 **SECTION 65. Initial applicability.**

21 (1) TRANSFER OF ENVIRONMENTAL REMEDIATION TAX CREDITS. The treatment of
 22 section 71.28 (1d) (b) 1. and 1m. and (f) of the statutes first applies to taxable years
 23 beginning on January 1, 2001.

24 **SECTION 66. Effective dates; workforce development.** This act takes effect
 25 on the day after publication, except as follows:

use autoref C from p. 47

1
2
3

(1) SECTION 64 (1), (2), (3), (4), (5), and (6) of this act takes effect on the 2nd day after publication of the 2001-03 biennial budget act. (2)

(END)

use autoref D from p. 47

use autoref E from p. 47

use autoref F from p. 47

use autoref G from p. 47

use autoref I from p. 48

use autoref H from p. 48

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-3327/P2dn

CMM:.....

~~CS~~

CS

Bob:

In reviewing this draft, please note all of the following nonsubstantive changes made to WLCS: 0150/1:

1. With respect to the labor day report, the draft does all of the following:
 - a. Numbers the statutory provision as s. 106.175 rather than as s. 103.0052. It is an unwritten rule that we try to avoid creating statute numbers with four digits after the decimal point. Moreover, the labor day report provision appears to fit more neatly in the statutes following s. 106.17, which requires DWD to collect labor market information and periodically report that information, and preceding s. 106.18, as created by the draft, which requires DWD to prepare job skills training reports. Numbering the labor day report as s. 106.175 puts all of the DWD special labor reports together in the statutes.
 - b. Requires DWD not only to *prepare* the report by September 1 annually, but also to *submit* the report by that date.
 - c. Requires DWD to report not on the labor *shortage*, but rather on the labor *supply*. Use of the term "labor shortage" in the statutes assumes that there will always be a labor shortage when, in fact, ~~10~~ ^{ten} years down the road the labor supply might be just right.
 - d. Requires DWD to provide the reports to local workforce development boards established under 29 USC 2832 and to other appropriate organizations as determined by DWD rather than to workforce development organizations. "Workforce development organization" is a vague term that is neither used nor defined in the statutes. The same change is also made in s. 106.18, as created by the draft.
2. With respect to the workplace diversity grant program, the draft does all of the following:
 - a. Creates the program under a nonstatutory provision. Unless reauthorized, the program ends on September 1, 2002, when DWD reports on the program. As such, the program will be moot before the next version of the statutes is even printed. Accordingly, the program belongs in a nonstatutory provision. See sec. ~~12.02~~ (2) (m), Drafting Manual. If later the legislature decides to make the program permanent, the nonstatutory provision can be renumbered into the statutes.

12.01

b. Replaces passive verbs with active verbs and replaces vague phrases with precise phrases in the provision setting forth the qualifications of a local, nonprofit organization.

c. Touches up the emergency rules provision and adds the necessary language to the relating clause. See secs. 4.02 (2) (b) 5m. and (be) 2. and 7.15 (5), Drafting Manual.

3. With respect to the advanced journeyworker credential pilot program, the draft requires DWD to provide rather than to establish the program because it is the better practice to use timeless rather than time-sensitive verbs in the statutes, unless the action is intended to be taken once and then cease. See sec. 2.01 (25), Drafting Manual. The draft also uses the precise term defined in s. 560.036 (1) (f), that is, "minority group member"

These changes are intended as helpful suggestions to improve the draft. Of course, if any of the language of the WLCS draft is "written in stone" as the intent of the committee, we can discuss changing the language back. If you would like to discuss any of these changes or anything else about the draft, please do not hesitate to contact me directly at the phone number or e-mail address listed below.

Gordon M. Malaise
Senior Legislative Attorney
Phone: (608) 266-9738
E-mail: gordon.malaise@legis.state.wi.us

In addition, the draft does not include the language relating to the nursing student loan forgiveness program and the advanced journeyworker credential pilot program because substantially similar programs were enacted in the budget. Similarly, the draft does not include the language from your draft.

relating to the employment skills advancement program because that program was repealed in the budget.

Bob:

I moved ~~s. 120.13 (25m)~~ s. 120.13 (25m) along with existing s. 120.13 (17), into new s. 118.115. OK? With a cross-reference to s. 118.115 in s. 119.04 (1), your s. 119.10 (11) becomes unnecessary.

PG

4. With respect to the transfer of TANF moneys from s. 20.445 (3) (md) to s. 20.292 (1) (kd), this draft does not decrease the amount appropriated to s. 20.445 (3) (md) because if that amount is decreased, the moneys will lapse to the general fund and not be available for transfer to s. 20.292 (1) (kd).

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

3327/P2dn
PJH:.....

~~CS~~

CS



Please note that under current law, a person whose motor vehicle operating privilege is suspended for failing to pay a forfeiture for violating an ordinance is not eligible to apply for an occupational driver's license. My understanding of your intent is that a person whose operating privilege is suspended for failing to pay a forfeiture for violating an ordinance that is unrelated to the operation of a motor vehicle should be eligible to apply for an occupational license.

I have revised the analysis to reflect current law and to explain that the draft allows those persons to apply for an occupational license for a reduced application fee of \$10. Section 343.10 (1) (a) contains a list of persons who may apply for an occupational license. I have amended that section to add those persons who have had their operating privileges suspended for failing to pay a forfeiture for an ordinance violation, if the underlying ordinance was unrelated to the operation of a motor vehicle. Please note that my amendments allow adults and juveniles whose operating privileges have been suspended under those circumstances to apply for an occupational license. Please also note that this draft does not change the waiting period or other requirements necessary for obtaining an occupational license.

Peggy Hurley
Legislative Attorney
Phone: (608) 266-8906
E-mail: peggy.hurley@legis.state.wi.us



DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-3327/P2dn
GMM/PG/PJH.cs.pg

September 7, 2001

Bob:

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9/19/01

Bob Conlin

- Put Workforce Diversity Grant Program in statutes
- Amend statutes to conform to Committee's recommendations
 - Nursing Student Loan Program
 - Advanced Journeyworker Pilot Program