



State of Wisconsin
2007 - 2008 LEGISLATURE

LRB-0486/02

PJK:jld:nwn

r m is nwn

DOA:.....Harshner, BB0113 - "Real work real pay" project

FOR 2007-09 BUDGET -- NOT READY FOR INTRODUCTION

*D-vote
(in 1-17)*

*do not
you cut*

1 AN ACT *relating to:* a real work, real pay pilot project in the Wisconsin Works
2 program.

Analysis by the Legislative Reference Bureau

HEALTH AND HUMAN SERVICES

WISCONSIN WORKS

The Wisconsin Works (W-2) program under current law provides work experience and benefits for low-income custodial parents who are at least 18 years old; job search assistance to noncustodial parents who are required to pay child support, to minor custodial parents, and to pregnant women who are not custodial parents; and child care subsidies for certain parents who need child care services to participate in various educational or work activities. W-2, which is funded with federal Temporary Assistance for Needy Families (TANF) block grant moneys, federal child care block grant moneys, and state general purpose revenue (GPR), is administered by DWD, which in turn contracts with W-2 agencies to administer W-2 on the local level.

The work components under W-2, called employment positions, consist of three categories: 1) trial jobs, under which an individual receives at least minimum wage from an employer and the W-2 agency pays a wage subsidy of up to \$300 per month to the employer; 2) community service jobs, under which an individual works in a project that serves a useful public purpose or that will generate revenue to wholly or partially offset the project's cost and receives a monthly grant of up to \$673 from

the W-2 agency; and 3) transitional placements, under which an individual participates in work activities in a community rehabilitation program, a job similar to a community service job, or volunteer activities and receives a monthly grant of up to \$628 from the W-2 agency. A participant in an employment position must search for unsubsidized employment the entire time that he or she is participating in the W-2 employment position. Also under current law, DWD is directed to continue the creation and implementation of a subsidized work program.

This bill eliminates the directive to DWD to continue the creation and implementation of a subsidized work program and requires DWD to conduct and evaluate, from January 1, 2008, to December 31, 2009, a real work, real pay pilot project. The pilot project is limited to 500 participants and must be conducted in at least one of the geographical areas of the state established for administering the W-2 program that is located in Milwaukee County and in at least two of those geographical areas that are not in Milwaukee County. An individual may participate in the pilot project for up to six months, with a possible three-month extension, and only an individual who is already participating in W-2 is eligible to participate. Under the project, a W-2 agency pays a wage subsidy, which may not exceed the federal minimum wage for no more than 30 hours of work per week, to an employer that employs a project participant. The employer is also reimbursed for up to 100 percent of federal social security taxes, state and federal unemployment contributions, and worker's compensation insurance premiums paid on behalf of a participant. The W-2 agency and the employer of a participant must work together to find a mentor for the participant at the work site. A mentor receives a monthly stipend of \$50 from the W-2 agency. An employer that employs a participant and receives a wage subsidy must agree to make a good faith effort to retain the participant as an unsubsidized employee after the wage subsidy ends if the participant successfully completes participation in the pilot project. If the employer does not retain the participant, the employer must serve as an employment reference for the participant or provide a written performance evaluation of the participant, including recommendations for improvement.

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

Who must satisfy the eligibility requirements for W-2

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 SECTION 1. 49.147 (3m) of the statutes is created to read:

2 49.147 (3m) REAL WORK, REAL PAY PILOT PROJECT. (a) *Administration and*
3 *evaluation.* Except as provided in par. (d), the department shall conduct and
4 evaluate a real work, real pay pilot project from January 1, 2008, to December 31,
5 2009. Except as specifically provided in this subsection, all requirements under sub.

Insert 3-3 ✓

1 (3), as they apply to Wisconsin Works agencies, employers, and participants, apply
2 to Wisconsin Works agencies, employers, and participants under this subsection.

3 (b) *Eligibility and project limits.* The project shall be limited to 500 individuals
4 and shall be conducted in at least one of the geographical areas established by the
5 department under s. 49.143 (6) that is in Milwaukee County and in at least 2 of those
6 geographical areas that are not in Milwaukee County. An individual is eligible to
7 participate in the project under this subsection only if he or she is already
8 participating in Wisconsin Works when he or she applies for the project.

9 (c) *Employer subsidies and reimbursements.* The Wisconsin Works agency
10 shall pay an employer that employs a participant under this subsection a monthly
11 wage subsidy that does not exceed the federal minimum wage for no more than 30
12 hours of work per week. Worksite training activities prescribed by the employer that
13 are consistent with training provided to other employees at the worksite are
14 considered work for purposes of calculating the wage subsidy under this paragraph.
15 In addition to the wage subsidy, the Wisconsin Works agency shall reimburse the
16 employer for up to 100 percent of all of the following costs that are attributable to
17 employment of the participant:

- 18 1. Federal social security taxes.
- 19 2. State and federal unemployment contributions or taxes, if any.
- 20 3. Worker's compensation insurance premiums, if any.

21 (d) *Time-limited participation and payment extension.* An individual may
22 participate in the project under this subsection for a maximum of 6 months, with an
23 opportunity for an extension of up to 3 months. Notwithstanding the ending date for
24 the project, payments under par. (c) for any participant who is accepted into the
25 project before December 31, 2009, shall be made until the participant completes his

1 or her 6-month participation period or any extension to it already commenced before
2 that date.

3 (e) *Mentors and stipends.* The Wisconsin Works agency and employer of a
4 participant under this subsection shall work together to find a mentor for the
5 participant at the participant's work site. The Wisconsin Works agency shall pay
6 each mentor a monthly stipend of \$50.

7 (f) *Employer effort to retain, refer, or evaluate participant.* An employer that
8 employs a participant under this subsection and receives a wage subsidy shall agree
9 to make a good faith effort to retain the participant as a permanent unsubsidized
10 employee after the wage subsidy ends if the participant successfully completes
11 participation in the project under this subsection. An employer shall also agree that,
12 if the employer does not retain a participant as a permanent unsubsidized employee,
13 the employer will serve as an employment reference for the participant or provide
14 to the Wisconsin Works agency a written performance evaluation of the participant,
15 including recommendations for improvements.

16 **SECTION 2.** 49.26 (1) (g) (intro.) of the statutes is amended to read:

17 49.26 (1) (g) (intro.) An individual who is a dependent child in a Wisconsin
18 works Works group that includes a participant under s. 49.147 (3), (3m), (4), or (5)
19 or who is a recipient of aid under s. 49.19 is subject to the school attendance
20 requirement under par. (ge) if all of the following apply:

21 **SECTION 3.** 49.26 (1) (h) 1s. b. of the statutes is amended to read:

22 49.26 (1) (h) 1s. b. An individual who is a dependent child in a Wisconsin works
23 Works group that includes a participant under s. 49.147 (3), (3m), (4), or (5) and who
24 fails to meet the school attendance requirement under par. (ge) is subject to a
25 monthly sanction.

1 **SECTION 4.** 49.36 (2) of the statutes is amended to read:

2 49.36 (2) The department may contract with any county, tribal governing body,
3 or Wisconsin Works agency to administer a work experience and job training
4 program for parents who are not custodial parents and who fail to pay child support
5 or to meet their children's needs for support as a result of unemployment or
6 underemployment. The program may provide the kinds of work experience and job
7 training services available from the program under s. 49.193, 1997 stats., or s. 49.147
8 (3), (3m), or (4). The program may also include job search and job orientation
9 activities. The department shall fund the program from the appropriations under
10 s. 20.445 (3) (dz) and (k).

11 **SECTION 5.** 71.07 (2dj) (am) 4h. of the statutes is amended to read:

12 71.07 (2dj) (am) 4h. Modify section 51 (a) of the internal revenue code so that
13 the amount of the credit is 25% of the qualified first-year wages if the wages are paid
14 to an applicant for a Wisconsin ~~works~~ Works employment position for service either
15 in an unsubsidized position or in a ~~trial job position~~ under s. 49.147 (3) or (3m) and
16 so that the amount of the credit is 20% of the qualified first-year wages if the wages
17 are not paid to such an applicant.

18 **SECTION 6.** 71.07 (2dx) (a) 5. of the statutes is amended to read:

19 71.07 (2dx) (a) 5. "Member of a targeted group" means a person who resides
20 in an area designated by the federal government as an economic revitalization area,
21 a person who is employed in an unsubsidized job but meets the eligibility
22 requirements under s. 49.145 (2) and (3) for a Wisconsin Works employment position,
23 a person who is employed in a trial job, as defined in s. 49.141 (1) (n), or in a real work,
24 real pay project position under s. 49.147 (3m), a person who is eligible for child care
25 assistance under s. 49.155, a person who is a vocational rehabilitation referral, an

1 economically disadvantaged youth, an economically disadvantaged veteran, a
2 supplemental security income recipient, a general assistance recipient, an
3 economically disadvantaged ex-convict, a qualified summer youth employee, as
4 defined in 26 USC 51 (d) (7), a dislocated worker, as defined in 29 USC 2801 (9), or
5 a food stamp recipient, if the person has been certified in the manner under sub. (2dj)
6 (am) 3. by a designated local agency, as defined in sub. (2dj) (am) 2.

7 **SECTION 7.** 71.07 (2dx) (b) 2. of the statutes is amended to read:

8 71.07 (2dx) (b) 2. The amount determined by multiplying the amount
9 determined under s. 560.785 (1) (b) by the number of full-time jobs created in a
10 development zone and filled by a member of a targeted group and by then subtracting
11 the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid
12 under s. 49.147 (3m) (c) for those jobs.

13 **SECTION 8.** 71.07 (2dx) (b) 3. of the statutes is amended to read:

14 71.07 (2dx) (b) 3. The amount determined by multiplying the amount
15 determined under s. 560.785 (1) (c) by the number of full-time jobs created in a
16 development zone and not filled by a member of a targeted group and by then
17 subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and
18 reimbursements paid under s. 49.147 (3m) (c) for those jobs.

19 **SECTION 9.** 71.07 (2dx) (b) 4. of the statutes is amended to read:

20 71.07 (2dx) (b) 4. The amount determined by multiplying the amount
21 determined under s. 560.785 (1) (bm) by the number of full-time jobs retained, as
22 provided in the rules under s. 560.785, excluding jobs for which a credit has been
23 claimed under sub. (2dj), in an enterprise development zone under s. 560.797 and for
24 which significant capital investment was made and by then subtracting the

1 subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid
2 under s. 49.147 (3m) (c) for those jobs.

3 **SECTION 10.** 71.07 (2dx) (b) 5. of the statutes is amended to read:

4 71.07 (2dx) (b) 5. The amount determined by multiplying the amount
5 determined under s. 560.785 (1) (c) by the number of full-time jobs retained, as
6 provided in the rules under s. 560.785, excluding jobs for which a credit has been
7 claimed under sub. (2dj), in a development zone and not filled by a member of a
8 targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or
9 the subsidies and reimbursements paid under s. 49.147 (3m) (c) for those jobs.

10 **SECTION 11.** 71.28 (1dj) (am) 4h. of the statutes is amended to read:

11 71.28 (1dj) (am) 4h. Modify section 51 (a) of the internal revenue code so that
12 the amount of the credit is 25% of the qualified first-year wages if the wages are paid
13 to an applicant for a Wisconsin ~~works~~ Works employment position for service either
14 in an unsubsidized position or in a ~~trial job position~~ under s. 49.147 (3) or (3m) and
15 so that the amount of the credit is 20% of the qualified first-year wages if the wages
16 are not paid to such an applicant.

17 **SECTION 12.** 71.28 (1dx) (a) 5. of the statutes is amended to read:

18 71.28 (1dx) (a) 5. "Member of a targeted group" means a person who resides
19 in an area designated by the federal government as an economic revitalization area,
20 a person who is employed in an unsubsidized job but meets the eligibility
21 requirements under s. 49.145 (2) and (3) for a Wisconsin Works employment position,
22 a person who is employed in a trial job, as defined in s. 49.141 (1) (n), or in a real work,
23 real pay project position under s. 49.147 (3m), a person who is eligible for child care
24 assistance under s. 49.155, a person who is a vocational rehabilitation referral, an
25 economically disadvantaged youth, an economically disadvantaged veteran, a

1 supplemental security income recipient, a general assistance recipient, an
2 economically disadvantaged ex-convict, a qualified summer youth employee, as
3 defined in 26 USC 51 (d) (7), a dislocated worker, as defined in 29 USC 2801 (9), or
4 a food stamp recipient, if the person has been certified in the manner under sub. (1dj)
5 (am) 3. by a designated local agency, as defined in sub. (1dj) (am) 2.

6 **SECTION 13.** 71.28 (1dx) (b) 2. of the statutes is amended to read:

7 71.28 (1dx) (b) 2. The amount determined by multiplying the amount
8 determined under s. 560.785 (1) (b) by the number of full-time jobs created in a
9 development zone and filled by a member of a targeted group and by then subtracting
10 the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid
11 under s. 49.147 (3m) (c) for those jobs.

12 **SECTION 14.** 71.28 (1dx) (b) 3. of the statutes is amended to read:

13 71.28 (1dx) (b) 3. The amount determined by multiplying the amount
14 determined under s. 560.785 (1) (c) by the number of full-time jobs created in a
15 development zone and not filled by a member of a targeted group and by then
16 subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and
17 reimbursements paid under s. 49.147 (3m) (c) for those jobs.

18 **SECTION 15.** 71.28 (1dx) (b) 4. of the statutes is amended to read:

19 71.28 (1dx) (b) 4. The amount determined by multiplying the amount
20 determined under s. 560.785 (1) (bm) by the number of full-time jobs retained, as
21 provided in the rules under s. 560.785, excluding jobs for which a credit has been
22 claimed under sub. (1dj), in an enterprise development zone under s. 560.797 and for
23 which significant capital investment was made and by then subtracting the
24 subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid
25 under s. 49.147 (3m) (c) for those jobs.

1 **SECTION 16.** 71.28 (1dx) (b) 5. of the statutes is amended to read:

2 71.28 (1dx) (b) 5. The amount determined by multiplying the amount
3 determined under s. 560.785 (1) (c) by the number of full-time jobs retained, as
4 provided in the rules under s. 560.785, excluding jobs for which a credit has been
5 claimed under sub. (1dj), in a development zone and not filled by a member of a
6 targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or
7 the subsidies and reimbursements paid under s. 49.147 (3m) (c) for those jobs.

8 **SECTION 17.** 71.47 (1dj) (am) 4h. of the statutes is amended to read:

9 71.47 (1dj) (am) 4h. Modify section 51 (a) of the internal revenue code so that
10 the amount of the credit is 25% of the qualified first-year wages if the wages are paid
11 to an applicant for a Wisconsin ~~works~~ Works employment position for service either
12 in an unsubsidized position or in a ~~trial job~~ position under s. 49.147 (3) or (3m) and
13 so that the amount of the credit is 20% of the qualified first-year wages if the wages
14 are not paid to such an applicant.

15 **SECTION 18.** 71.47 (1dx) (a) 5. of the statutes is amended to read:

16 71.47 (1dx) (a) 5. "Member of a targeted group" means a person who resides
17 in an area designated by the federal government as an economic revitalization area,
18 a person who is employed in an unsubsidized job but meets the eligibility
19 requirements under s. 49.145 (2) and (3) for a Wisconsin Works employment position,
20 a person who is employed in a trial job, as defined in s. 49.141 (1) (n), or in a real work,
21 real pay project position under s. 49.147 (3m), a person who is eligible for child care
22 assistance under s. 49.155, a person who is a vocational rehabilitation referral, an
23 economically disadvantaged youth, an economically disadvantaged veteran, a
24 supplemental security income recipient, a general assistance recipient, an
25 economically disadvantaged ex-convict, a qualified summer youth employee, as

1 defined in 26 USC 51 (d) (7), a dislocated worker, as defined in 29 USC 2801 (9), or
2 a food stamp recipient, if the person has been certified in the manner under sub. (1dj)
3 (am) 3. by a designated local agency, as defined in sub. (1dj) (am) 2.

4 **SECTION 19.** 71.47 (1dx) (b) 2. of the statutes is amended to read:

5 71.47 (1dx) (b) 2. The amount determined by multiplying the amount
6 determined under s. 560.785 (1) (b) by the number of full-time jobs created in a
7 development zone and filled by a member of a targeted group and by then subtracting
8 the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid
9 under s. 49.147 (3m) (c) for those jobs.

10 **SECTION 20.** 71.47 (1dx) (b) 3. of the statutes is amended to read:

11 71.47 (1dx) (b) 3. The amount determined by multiplying the amount
12 determined under s. 560.785 (1) (c) by the number of full-time jobs created in a
13 development zone and not filled by a member of a targeted group and by then
14 subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and
15 reimbursements paid under s. 49.147 (3m) (c) for those jobs.

16 **SECTION 21.** 71.47 (1dx) (b) 4. of the statutes is amended to read:

17 71.47 (1dx) (b) 4. The amount determined by multiplying the amount
18 determined under s. 560.785 (1) (bm) by the number of full-time jobs retained, as
19 provided in the rules under s. 560.785, excluding jobs for which a credit has been
20 claimed under sub. (1dj), in an enterprise development zone under s. 560.797 and for
21 which significant capital investment was made and by then subtracting the
22 subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid
23 under s. 49.147 (3m) (c) for those jobs.

24 **SECTION 22.** 71.47 (1dx) (b) 5. of the statutes is amended to read:

1 71.47 (1dx) (b) 5. The amount determined by multiplying the amount
2 determined under s. 560.785 (1) (c) by the number of full-time jobs retained, as
3 provided in the rules under s. 560.785, excluding jobs for which a credit has been
4 claimed under sub. (1dj), in a development zone and not filled by a member of a
5 targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or
6 the subsidies and reimbursements paid under s. 49.147 (3m) (c) for those jobs.

7 **SECTION 23.** 76.636 (1) (e) of the statutes is amended to read:

8 76.636 (1) (e) "Member of a targeted group" means a person who resides in an
9 area designated by the federal government as an economic revitalization area, a
10 person who is employed in an unsubsidized job but meets the eligibility requirements
11 under s. 49.145 (2) and (3) for a Wisconsin Works employment position, a person who
12 is employed in a trial job, as defined in s. 49.141 (1) (n), or in a real work, real pay
13 project position under s. 49.147 (3m), a person who is eligible for child care assistance
14 under s. 49.155, a person who is a vocational rehabilitation referral, an economically
15 disadvantaged youth, an economically disadvantaged veteran, a supplemental
16 security income recipient, a general assistance recipient, an economically
17 disadvantaged ex-convict, a qualified summer youth employee, as defined in 26 USC
18 51 (d) (7), a dislocated worker, as defined in 29 USC 2801 (9), or a food stamp
19 recipient, if the person has been certified in the manner under s. 71.47 (1dj) (am) 3.
20 by a designated local agency, as defined in s. 71.47 (1dj) (am) 2.

21 **SECTION 24.** 76.636 (2) (b) of the statutes is amended to read:

22 76.636 (2) (b) The amount determined by multiplying the amount determined
23 under s. 560.785 (1) (b) by the number of full-time jobs created in a development zone
24 and filled by a member of a targeted group and by then subtracting the subsidies paid

1 under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3m)
2 (c) for those jobs.

3 **SECTION 25.** 76.636 (2) (c) of the statutes is amended to read:

4 76.636 (2) (c) The amount determined by multiplying the amount determined
5 under s. 560.785 (1) (c) by the number of full-time jobs created in a development zone
6 and not filled by a member of a targeted group and by then subtracting the subsidies
7 paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147
8 (3m) (c) for those jobs.

9 **SECTION 26.** 76.636 (2) (d) of the statutes is amended to read:

10 76.636 (2) (d) The amount determined by multiplying the amount determined
11 under s. 560.785 (1) (bm) by the number of full-time jobs retained, as provided in the
12 rules under s. 560.785, excluding jobs for which a credit has been claimed under s.
13 71.47 (1dj), in an enterprise development zone under s. 560.797 and for which
14 significant capital investment was made and by then subtracting the subsidies paid
15 under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3m)
16 (c) for those jobs.

17 **SECTION 27.** 76.636 (2) (e) of the statutes is amended to read:

18 76.636 (2) (e) The amount determined by multiplying the amount determined
19 under s. 560.785 (1) (c) by the number of full-time jobs retained, as provided in the
20 rules under s. 560.785, excluding jobs for which a credit has been claimed under s.
21 71.47 (1dj), in a development zone and not filled by a member of a targeted group and
22 by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and
23 reimbursements paid under s. 49.147 (3m) (c) for those jobs.

24 **SECTION 28.** 227.01 (13) (im) of the statutes is created to read:

2007-2008 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-0486/1ins
PJK:jld:nwn

INSERT 3-3

1 ~~NO~~ 1. Except as specifically provided in this subsection, ✓ all general and
2 ~~4~~ nonfinancial eligibility requirements under s. 49.145 ✓ apply to participants under
3 this subsection, and all requirements under ✓ sub. (3), as they apply to Wisconsin
4 Works agencies, employers, and participants, apply to Wisconsin Works agencies,
5 employers, and participants under this subsection. ✓

6 ~~4~~ 2. ~~NO~~

(END OF INSERT 3-3)

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

LRB-0486/1dn
PJK;jld:nwn

date

Sam:

I modified this draft in the following way:

Since proposed s. 49.147 (3m) (a) ✓ provided that all requirements under s. 49.147 (3) apply to all participants, etc., I removed that sentence from s. 49.147 (3m) (a) and added it, with an additional reference to eligibility requirements under s. ✓49.145, as suggested by DWD, to proposed s. 49.147 (3m) (b) ✓.

Pamela J. Kahler
Senior Legislative Attorney
Phone: (608) 266-2682
E-mail: pam.kahler@legis.wisconsin.gov

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

LRB-0486/1dn
PJK:jld:pg

January 18, 2007

Sam:

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Pamela J. Kahler
Senior Legislative Attorney
Phone: (608) 266-2682
E-mail: pam.kahler@legis.wisconsin.gov



State of Wisconsin
2007 - 2008 LEGISLATURE

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DOA:.....Harshner, BB0113 - "Real work real pay" project

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The work components under W-2, called employment positions, consist of three categories: 1) trial jobs, under which an individual receives at least minimum wage from an employer and the W-2 agency pays a wage subsidy of up to \$300 per month to the employer; 2) community service jobs, under which an individual works in a project that serves a useful public purpose or that will generate revenue to wholly or partially offset the project's cost and receives a monthly grant of up to \$673 from

the W-2 agency; and 3) transitional placements, under which an individual participates in work activities in a community rehabilitation program, a job similar to a community service job, or volunteer activities and receives a monthly grant of up to \$628 from the W-2 agency. A participant in an employment position must search for unsubsidized employment the entire time that he or she is participating in the W-2 employment position. Also under current law, DWD is directed to continue the creation and implementation of a subsidized work program.

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

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- 1 **SECTION 1.** 49.147 (3m) of the statutes is created to read:
- 2 49.147 (3m) REAL WORK, REAL PAY PILOT PROJECT. (a) *Administration and*
- 3 *evaluation.* Except as provided in par. (d), the department shall conduct and
- 4 evaluate a real work, real pay pilot project from January 1, 2008, to December 31,
- 5 2009.

1 (b) *Eligibility and project limits.* 1. Except as specifically provided in this
2 subsection, all general and nonfinancial eligibility requirements under s. 49.145
3 apply to participants under this subsection, and all requirements under sub. (3), as
4 they apply to Wisconsin Works agencies, employers, and participants, apply to
5 Wisconsin Works agencies, employers, and participants under this subsection.

6 2. The project shall be limited to 500 individuals and shall be conducted in at
7 least one of the geographical areas established by the department under s. 49.143 (6)
8 that is in Milwaukee County and in at least 2 of those geographical areas that are
9 not in Milwaukee County.

10 (c) *Employer subsidies and reimbursements.* The Wisconsin Works agency
11 shall pay an employer that employs a participant under this subsection a monthly
12 wage subsidy that does not exceed the federal minimum wage for no more than 30
13 hours of work per week. Worksite training activities prescribed by the employer that
14 are consistent with training provided to other employees at the worksite are
15 considered work for purposes of calculating the wage subsidy under this paragraph.
16 In addition to the wage subsidy, the Wisconsin Works agency shall reimburse the
17 employer for up to 100 percent of all of the following costs that are attributable to
18 employment of the participant:

- 19 1. Federal social security taxes.
- 20 2. State and federal unemployment contributions or taxes, if any.
- 21 3. Worker's compensation insurance premiums, if any.

22 (d) *Time-limited participation and payment extension.* An individual may
23 participate in the project under this subsection for a maximum of 6 months, with an
24 opportunity for an extension of up to 3 months. Notwithstanding the ending date for
25 the project, payments under par. (c) for any participant who is accepted into the

1 project before December 31, 2009, shall be made until the participant completes his
2 or her 6-month participation period or any extension to it already commenced before
3 that date.

4 (e) *Mentors and stipends.* The Wisconsin Works agency and employer of a
5 participant under this subsection shall work together to find a mentor for the
6 participant at the participant's work site. The Wisconsin Works agency shall pay
7 each mentor a monthly stipend of \$50.

8 (f) *Employer effort to retain, refer, or evaluate participant.* An employer that
9 employs a participant under this subsection and receives a wage subsidy shall agree
10 to make a good faith effort to retain the participant as a permanent unsubsidized
11 employee after the wage subsidy ends if the participant successfully completes
12 participation in the project under this subsection. An employer shall also agree that,
13 if the employer does not retain a participant as a permanent unsubsidized employee,
14 the employer will serve as an employment reference for the participant or provide
15 to the Wisconsin Works agency a written performance evaluation of the participant,
16 including recommendations for improvements.

17 **SECTION 2.** 49.26 (1) (g) (intro.) of the statutes is amended to read:

18 49.26 (1) (g) (intro.) An individual who is a dependent child in a Wisconsin
19 works Works group that includes a participant under s. 49.147 (3), (3m), (4), or (5)
20 or who is a recipient of aid under s. 49.19 is subject to the school attendance
21 requirement under par. (ge) if all of the following apply:

22 **SECTION 3.** 49.26 (1) (h) 1s. b. of the statutes is amended to read:

23 49.26 (1) (h) 1s. b. An individual who is a dependent child in a Wisconsin works
24 Works group that includes a participant under s. 49.147 (3), (3m), (4), or (5) and who

1 fails to meet the school attendance requirement under par. (ge) is subject to a
2 monthly sanction.

3 **SECTION 4.** 49.36 (2) of the statutes is amended to read:

4 49.36 (2) The department may contract with any county, tribal governing body,
5 or Wisconsin Works agency to administer a work experience and job training
6 program for parents who are not custodial parents and who fail to pay child support
7 or to meet their children's needs for support as a result of unemployment or
8 underemployment. The program may provide the kinds of work experience and job
9 training services available from the program under s. 49.193, 1997 stats., or s. 49.147
10 (3), (3m), or (4). The program may also include job search and job orientation
11 activities. The department shall fund the program from the appropriations under
12 s. 20.445 (3) (dz) and (k).

13 **SECTION 5.** 71.07 (2dj) (am) 4h. of the statutes is amended to read:

14 71.07 (2dj) (am) 4h. Modify section 51 (a) of the internal revenue code so that
15 the amount of the credit is 25% of the qualified first-year wages if the wages are paid
16 to an applicant for a Wisconsin works Works employment position for service either
17 in an unsubsidized position or in a ~~trial job~~ position under s. 49.147 (3) or (3m) and
18 so that the amount of the credit is 20% of the qualified first-year wages if the wages
19 are not paid to such an applicant.

20 **SECTION 6.** 71.07 (2dx) (a) 5. of the statutes is amended to read:

21 71.07 (2dx) (a) 5. "Member of a targeted group" means a person who resides
22 in an area designated by the federal government as an economic revitalization area,
23 a person who is employed in an unsubsidized job but meets the eligibility
24 requirements under s. 49.145 (2) and (3) for a Wisconsin Works employment position,
25 a person who is employed in a trial job, as defined in s. 49.141 (1) (n), or in a real work,

1 real pay project position under s. 49.147 (3m), a person who is eligible for child care
2 assistance under s. 49.155, a person who is a vocational rehabilitation referral, an
3 economically disadvantaged youth, an economically disadvantaged veteran, a
4 supplemental security income recipient, a general assistance recipient, an
5 economically disadvantaged ex-convict, a qualified summer youth employee, as
6 defined in 26 USC 51 (d) (7), a dislocated worker, as defined in 29 USC 2801 (9), or
7 a food stamp recipient, if the person has been certified in the manner under sub. (2dj)
8 (am) 3. by a designated local agency, as defined in sub. (2dj) (am) 2.

9 **SECTION 7.** 71.07 (2dx) (b) 2. of the statutes is amended to read:

10 71.07 (2dx) (b) 2. The amount determined by multiplying the amount
11 determined under s. 560.785 (1) (b) by the number of full-time jobs created in a
12 development zone and filled by a member of a targeted group and by then subtracting
13 the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid
14 under s. 49.147 (3m) (c) for those jobs.

15 **SECTION 8.** 71.07 (2dx) (b) 3. of the statutes is amended to read:

16 71.07 (2dx) (b) 3. The amount determined by multiplying the amount
17 determined under s. 560.785 (1) (c) by the number of full-time jobs created in a
18 development zone and not filled by a member of a targeted group and by then
19 subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and
20 reimbursements paid under s. 49.147 (3m) (c) for those jobs.

21 **SECTION 9.** 71.07 (2dx) (b) 4. of the statutes is amended to read:

22 71.07 (2dx) (b) 4. The amount determined by multiplying the amount
23 determined under s. 560.785 (1) (bm) by the number of full-time jobs retained, as
24 provided in the rules under s. 560.785, excluding jobs for which a credit has been
25 claimed under sub. (2dj), in an enterprise development zone under s. 560.797 and for

1 which significant capital investment was made and by then subtracting the
2 subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid
3 under s. 49.147 (3m) (c) for those jobs.

4 **SECTION 10.** 71.07 (2dx) (b) 5. of the statutes is amended to read:

5 71.07 (2dx) (b) 5. The amount determined by multiplying the amount
6 determined under s. 560.785 (1) (c) by the number of full-time jobs retained, as
7 provided in the rules under s. 560.785, excluding jobs for which a credit has been
8 claimed under sub. (2dj), in a development zone and not filled by a member of a
9 targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or
10 the subsidies and reimbursements paid under s. 49.147 (3m) (c) for those jobs.

11 **SECTION 11.** 71.28 (1dj) (am) 4h. of the statutes is amended to read:

12 71.28 (1dj) (am) 4h. Modify section 51 (a) of the internal revenue code so that
13 the amount of the credit is 25% of the qualified first-year wages if the wages are paid
14 to an applicant for a Wisconsin works Works employment position for service either
15 in an unsubsidized position or in a ~~trial job~~ position under s. 49.147 (3) or (3m) and
16 so that the amount of the credit is 20% of the qualified first-year wages if the wages
17 are not paid to such an applicant.

18 **SECTION 12.** 71.28 (1dx) (a) 5. of the statutes is amended to read:

19 71.28 (1dx) (a) 5. "Member of a targeted group" means a person who resides
20 in an area designated by the federal government as an economic revitalization area,
21 a person who is employed in an unsubsidized job but meets the eligibility
22 requirements under s. 49.145 (2) and (3) for a Wisconsin Works employment position,
23 a person who is employed in a trial job, as defined in s. 49.141 (1) (n), or in a real work,
24 real pay project position under s. 49.147 (3m), a person who is eligible for child care
25 assistance under s. 49.155, a person who is a vocational rehabilitation referral, an

1 economically disadvantaged youth, an economically disadvantaged veteran, a
2 supplemental security income recipient, a general assistance recipient, an
3 economically disadvantaged ex-convict, a qualified summer youth employee, as
4 defined in 26 USC 51 (d) (7), a dislocated worker, as defined in 29 USC 2801 (9), or
5 a food stamp recipient, if the person has been certified in the manner under sub. (1dj)
6 (am) 3. by a designated local agency, as defined in sub. (1dj) (am) 2.

7 **SECTION 13.** 71.28 (1dx) (b) 2. of the statutes is amended to read:

8 71.28 **(1dx)** (b) 2. The amount determined by multiplying the amount
9 determined under s. 560.785 (1) (b) by the number of full-time jobs created in a
10 development zone and filled by a member of a targeted group and by then subtracting
11 the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid
12 under s. 49.147 (3m) (c) for those jobs.

13 **SECTION 14.** 71.28 (1dx) (b) 3. of the statutes is amended to read:

14 71.28 **(1dx)** (b) 3. The amount determined by multiplying the amount
15 determined under s. 560.785 (1) (c) by the number of full-time jobs created in a
16 development zone and not filled by a member of a targeted group and by then
17 subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and
18 reimbursements paid under s. 49.147 (3m) (c) for those jobs.

19 **SECTION 15.** 71.28 (1dx) (b) 4. of the statutes is amended to read:

20 71.28 **(1dx)** (b) 4. The amount determined by multiplying the amount
21 determined under s. 560.785 (1) (bm) by the number of full-time jobs retained, as
22 provided in the rules under s. 560.785, excluding jobs for which a credit has been
23 claimed under sub. (1dj), in an enterprise development zone under s. 560.797 and for
24 which significant capital investment was made and by then subtracting the

1 subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid
2 under s. 49.147 (3m) (c) for those jobs.

3 **SECTION 16.** 71.28 (1dx) (b) 5. of the statutes is amended to read:

4 71.28 (1dx) (b) 5. The amount determined by multiplying the amount
5 determined under s. 560.785 (1) (c) by the number of full-time jobs retained, as
6 provided in the rules under s. 560.785, excluding jobs for which a credit has been
7 claimed under sub. (1dj), in a development zone and not filled by a member of a
8 targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or
9 the subsidies and reimbursements paid under s. 49.147 (3m) (c) for those jobs.

10 **SECTION 17.** 71.47 (1dj) (am) 4h. of the statutes is amended to read:

11 71.47 (1dj) (am) 4h. Modify section 51 (a) of the internal revenue code so that
12 the amount of the credit is 25% of the qualified first-year wages if the wages are paid
13 to an applicant for a Wisconsin works Works employment position for service either
14 in an unsubsidized position or in a trial job position under s. 49.147 (3) or (3m) and
15 so that the amount of the credit is 20% of the qualified first-year wages if the wages
16 are not paid to such an applicant.

17 **SECTION 18.** 71.47 (1dx) (a) 5. of the statutes is amended to read:

18 71.47 (1dx) (a) 5. "Member of a targeted group" means a person who resides
19 in an area designated by the federal government as an economic revitalization area,
20 a person who is employed in an unsubsidized job but meets the eligibility
21 requirements under s. 49.145 (2) and (3) for a Wisconsin Works employment position,
22 a person who is employed in a trial job, as defined in s. 49.141 (1) (n), or in a real work,
23 real pay project position under s. 49.147 (3m), a person who is eligible for child care
24 assistance under s. 49.155, a person who is a vocational rehabilitation referral, an
25 economically disadvantaged youth, an economically disadvantaged veteran, a

1 supplemental security income recipient, a general assistance recipient, an
2 economically disadvantaged ex-convict, a qualified summer youth employee, as
3 defined in 26 USC 51 (d) (7), a dislocated worker, as defined in 29 USC 2801 (9), or
4 a food stamp recipient, if the person has been certified in the manner under sub. (1dj)
5 (am) 3. by a designated local agency, as defined in sub. (1dj) (am) 2.

6 **SECTION 19.** 71.47 (1dx) (b) 2. of the statutes is amended to read:

7 71.47 (1dx) (b) 2. The amount determined by multiplying the amount
8 determined under s. 560.785 (1) (b) by the number of full-time jobs created in a
9 development zone and filled by a member of a targeted group and by then subtracting
10 the subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid
11 under s. 49.147 (3m) (c) for those jobs.

12 **SECTION 20.** 71.47 (1dx) (b) 3. of the statutes is amended to read:

13 71.47 (1dx) (b) 3. The amount determined by multiplying the amount
14 determined under s. 560.785 (1) (c) by the number of full-time jobs created in a
15 development zone and not filled by a member of a targeted group and by then
16 subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and
17 reimbursements paid under s. 49.147 (3m) (c) for those jobs.

18 **SECTION 21.** 71.47 (1dx) (b) 4. of the statutes is amended to read:

19 71.47 (1dx) (b) 4. The amount determined by multiplying the amount
20 determined under s. 560.785 (1) (bm) by the number of full-time jobs retained, as
21 provided in the rules under s. 560.785, excluding jobs for which a credit has been
22 claimed under sub. (1dj), in an enterprise development zone under s. 560.797 and for
23 which significant capital investment was made and by then subtracting the
24 subsidies paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid
25 under s. 49.147 (3m) (c) for those jobs.

1 **SECTION 22.** 71.47 (1dx) (b) 5. of the statutes is amended to read:

2 71.47 (1dx) (b) 5. The amount determined by multiplying the amount
3 determined under s. 560.785 (1) (c) by the number of full-time jobs retained, as
4 provided in the rules under s. 560.785, excluding jobs for which a credit has been
5 claimed under sub. (1dj), in a development zone and not filled by a member of a
6 targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) or
7 the subsidies and reimbursements paid under s. 49.147 (3m) (c) for those jobs.

8 **SECTION 23.** 76.636 (1) (e) of the statutes is amended to read:

9 76.636 (1) (e) "Member of a targeted group" means a person who resides in an
10 area designated by the federal government as an economic revitalization area, a
11 person who is employed in an unsubsidized job but meets the eligibility requirements
12 under s. 49.145 (2) and (3) for a Wisconsin Works employment position, a person who
13 is employed in a trial job, as defined in s. 49.141 (1) (n), or in a real work, real pay
14 project position under s. 49.147 (3m), a person who is eligible for child care assistance
15 under s. 49.155, a person who is a vocational rehabilitation referral, an economically
16 disadvantaged youth, an economically disadvantaged veteran, a supplemental
17 security income recipient, a general assistance recipient, an economically
18 disadvantaged ex-convict, a qualified summer youth employee, as defined in 26 USC
19 51 (d) (7), a dislocated worker, as defined in 29 USC 2801 (9), or a food stamp
20 recipient, if the person has been certified in the manner under s. 71.47 (1dj) (am) 3.
21 by a designated local agency, as defined in s. 71.47 (1dj) (am) 2.

22 **SECTION 24.** 76.636 (2) (b) of the statutes is amended to read:

23 76.636 (2) (b) The amount determined by multiplying the amount determined
24 under s. 560.785 (1) (b) by the number of full-time jobs created in a development zone
25 and filled by a member of a targeted group and by then subtracting the subsidies paid

1 under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3m)
2 (c) for those jobs.

3 **SECTION 25.** 76.636 (2) (c) of the statutes is amended to read:

4 76.636 (2) (c) The amount determined by multiplying the amount determined
5 under s. 560.785 (1) (c) by the number of full-time jobs created in a development zone
6 and not filled by a member of a targeted group and by then subtracting the subsidies
7 paid under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147
8 (3m) (c) for those jobs.

9 **SECTION 26.** 76.636 (2) (d) of the statutes is amended to read:

10 76.636 (2) (d) The amount determined by multiplying the amount determined
11 under s. 560.785 (1) (bm) by the number of full-time jobs retained, as provided in the
12 rules under s. 560.785, excluding jobs for which a credit has been claimed under s.
13 71.47 (1dj), in an enterprise development zone under s. 560.797 and for which
14 significant capital investment was made and by then subtracting the subsidies paid
15 under s. 49.147 (3) (a) or the subsidies and reimbursements paid under s. 49.147 (3m)
16 (c) for those jobs.

17 **SECTION 27.** 76.636 (2) (e) of the statutes is amended to read:

18 76.636 (2) (e) The amount determined by multiplying the amount determined
19 under s. 560.785 (1) (c) by the number of full-time jobs retained, as provided in the
20 rules under s. 560.785, excluding jobs for which a credit has been claimed under s.
21 71.47 (1dj), in a development zone and not filled by a member of a targeted group and
22 by then subtracting the subsidies paid under s. 49.147 (3) (a) or the subsidies and
23 reimbursements paid under s. 49.147 (3m) (c) for those jobs.

24 **SECTION 28.** 227.01 (13) (im) of the statutes is created to read:

