

### Fiscal Estimate - 2009 Session

Original       Updated       Corrected       Supplemental

<b>LRB Number</b> <b>09-3391/1</b>	<b>Introduction Number</b> <b>AB-0513</b>	
<b>Description</b> The amounts appropriated for tuition grants and for Wisconsin higher education grants for University of Wisconsin system students, technical college students, and tribal college students; grants to technical college districts to reduce unemployment; grants to businesses to make capital expenditures; increasing the total amount of angel investment credits; creating a new individual income tax upper bracket; providing an exemption from emergency rule procedures; granting rule-making authority; and making appropriations		
<b>Fiscal Effect</b>		
<b>State:</b>		
<input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input checked="" type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs		
<b>Local:</b>		
<input checked="" type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs      3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs      4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 5. Types of Local Government Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts		
<b>Fund Sources Affected</b> <b>Affected Ch. 20 Appropriations</b>		
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.143 (1) (a)		
<b>Agency/Prepared By</b>	<b>Authorized Signature</b>	<b>Date</b>
COMM/ Julie Keal (608) 266-6748	Louie Cornelius (608) 266-8629	12/30/2009

**Fiscal Estimate Narratives**  
**COMM 12/30/2009**

LRB Number	<b>09-3391/1</b>	Introduction Number	<b>AB-0513</b>	Estimate Type	<b>Original</b>
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**Assumptions Used in Arriving at Fiscal Estimate**

This bill contains two provisions that affect the Department of Commerce.

1. Increase in the Angel Credit. Under current law, the total amount of credits that may be claimed by angel investors is \$5.5 million in calendar year 2010, and \$18 million in each following calendar year. The bill changes the total amount that may be claimed in calendar year 2010 to \$7.5 million, and \$20 million in each year thereafter. This provision will increase the workload of the department because more investments will be certified, but the department will be able to absorb this workload.

2. Grants for Business Retooling and Retention. The bill creates a grant program under which the department will award grants to businesses for capital investments taking place in statutorily defined economically distressed areas of the state. An eligible capital investment must upgrade or modernize the operations, facilities, or equipment of the business, and must result in the creation or retention of jobs. Commerce must give priority to a business that has established or proposes to establish a partnership with a technical college district board for the purpose of providing skill training or retraining to meet the specific workforce needs of that business. Funding is provided for these grants only during the 2009/2011 biennium. Commerce will need a project position running through the end of FY11 to administer this program. This position will develop rules and policies for the program, develop and implement performance measures for the program, publicize the program, work with businesses in distressed areas to access the program, review applications, recommend action on applications, negotiate and enter into contracts with successful applicants, supervise draws on contracts, and work with successful applicants in reporting results. The costs of this position will be as follows.

Salary \$44,900  
Fringe \$20,500  
Supplies \$ 8,000

Total \$73,400

**Long-Range Fiscal Implications**

## Fiscal Estimate Worksheet - 2009 Session

Detailed Estimate of Annual Fiscal Effect

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  Updated     
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<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>			
<b>II. Annualized Costs:</b>		<b>Annualized Fiscal Impact on funds from:</b>	
		Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>			
	State Operations - Salaries and Fringes	\$65,400	\$
	(FTE Position Changes)	(1.0 FTE)	
	State Operations - Other Costs	8,000	
	Local Assistance		
	Aids to Individuals or Organizations		
	<b>TOTAL State Costs by Category</b>	<b>\$73,400</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>			
	GPR	73,400	
	FED		
	PRO/PRS		
	SEG/SEG-S		
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, ets.)</b>			
		Increased Rev	Decreased Rev
	GPR Taxes	\$	\$
	GPR Earned		
	FED		
	PRO/PRS		
	SEG/SEG-S		
	<b>TOTAL State Revenues</b>	<b>\$</b>	<b>\$</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>			
		State	Local
NET CHANGE IN COSTS		\$73,400	\$
NET CHANGE IN REVENUE		\$	\$
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	<b>Date</b>
COMM/ Julie Keal (608) 266-6748		Louie Cornelius (608) 266-8629	12/30/2009