

### Fiscal Estimate - 2011 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> <b>11-2076/1</b>	<b>Introduction Number</b> <b>AB-0129</b>
<b>Description</b> Creation of the Wisconsin Venture Capital Authority, creation of the badger jobs fund and the jobs now fund certification program, both of which are to be administered by the Wisconsin Venture Capital Authority, making an appropriation, and providing a penalty	
<b>Fiscal Effect</b>  <b>State:</b> <input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input 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 checked="" 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 type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs                  3. <input type="checkbox"/> Increase Revenue                  5. Types of Local Government Units Affected <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities 2. <input type="checkbox"/> Decrease Costs                  4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Counties <input type="checkbox"/> Others <u>0</u> <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts	
<b>Fund Sources Affected</b> <b>Affected Ch. 20 Appropriations</b> <input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	
<b>Agency/Prepared By</b> OCI/ Jim Guidry (608) 264-6239	<b>Authorized Signature</b> Dan Schwartzer (608) 267-1233
<b>Date</b> 5/23/2011	

## Fiscal Estimate Narratives

OCI 5/23/2011

LRB Number	11-2076/1	Introduction Number	AB-0129	Estimate Type	Original
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### Assumptions Used in Arriving at Fiscal Estimate

The Certified Jobs Now Fund Program is proposed to be funded by equity investments from insurance companies subject to the ch. 76, Wis. Stats., premium tax, designated by the bill as participating investors. The participating investor may claim up to 80 percent of the amount of its investment as a credit against the participating investor's premium tax liability. The companies subject to the premium tax are all nondomestic insurance companies, Wisconsin domiciled life insurance companies, and Wisconsin domiciled mortgage insurance companies (though to a negligible amount by comparison).

It is expected that the companies will invest enough to take advantage of the entire \$200,000,000 of tax credits available to be awarded through the Certified Jobs Now Fund Program, which up to 25% those awarded credits are available per tax year until exhausted. This would create, on an annualized basis, a reduction of up to \$50,000,000 in premium tax revenue for a period of at least 4 years beginning in 2014 until the entire \$200,000,000 million of credit has been exhausted.

### Long-Range Fiscal Implications

## Fiscal Estimate Worksheet - 2011 Session

Detailed Estimate of Annual Fiscal Effect

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<b>Description</b> Creation of the Wisconsin Venture Capital Authority, creation of the badger jobs fund and the jobs now fund certification program, both of which are to be administered by the Wisconsin Venture Capital Authority, making an appropriation, and providing a penalty			
<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	\$		\$
(FTE Position Changes)			
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
<b>TOTAL State Costs by Category</b>	<b>\$</b>		<b>\$</b>
<b>B. State Costs by Source of Funds</b>			
GPR			
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, etc.)</b>			
	Increased Rev	Decreased Rev	
GPR Taxes	\$		\$-50,000,000
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
<b>TOTAL State Revenues</b>	<b>\$</b>		<b>\$-50,000,000</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>			
	<u>State</u>	<u>Local</u>	
NET CHANGE IN COSTS	\$		\$
NET CHANGE IN REVENUE	\$-50,000,000		\$
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	<b>Date</b>
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