

Fiscal Estimate Narratives

WTCS 6/27/2011

LRB Number	11-2020/1	Introduction Number	SB-121	Estimate Type	Original
Description Requiring the Wisconsin Economic Development Corporation to create and implement a business retention program, increasing the funding for skills enhancement grants, advanced manufacturing skills grants for technical colleges, and making an appropriation					

Assumptions Used in Arriving at Fiscal Estimate

Section 38.41, Wis. Stats, provides for training grants commonly referred to as the Workforce Advancement Training (WAT) grant program, and currently requires that at least \$2.0 million be awarded for training in advanced manufacturing skills. In FY 2009-10 and FY 2010-11 combined, \$4.9 million (72%) of all WAT Grant funds awarded were for training in advanced manufacturing skills.

SB 121 would increase the proportion of funding required to be dedicated specifically to training in advanced manufacturing skills to at least \$2.4 million, but would not change the total amount provided. In addition, the bill would require businesses to pay participating workers - either at the time of training, or within six months of completion - 150% of the federal minimum wage in order for the business to be grant eligible.

Implementing the wage requirement would significantly increase the complexity of program application for businesses, and administration for WTCS colleges.

Long-Range Fiscal Implications