

Fiscal Estimate - 2017 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 17-4743/1	Introduction Number AB-0757
Description creating an individual income tax credit for certified nursing assistant training costs	
Fiscal Effect	
State: <input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input checked="" 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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs	
Local: <input 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	
Fund Sources Affected Affected Ch. 20 Appropriations <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 20.835 (2) (cb)	
Agency/Prepared By DOR/ Bradley Caruth (608) 261-8984	Authorized Signature Jamie Adams (608) 266-6785
Date 1/3/2018	

Fiscal Estimate Narratives

DOR 1/3/2018

LRB Number	17-4743/1	Introduction Number	AB-0757	Estimate Type	Original
Description creating an individual income tax credit for certified nursing assistant training costs					

Assumptions Used in Arriving at Fiscal Estimate

This bill creates a refundable individual income tax credit for costs incurred by an individual for an instructional program that results in the individual becoming a certified nursing assistant (CNA). Under the bill, the maximum credit that a claimant may claim is \$1,500, and an individual may claim the credit only once. The bill prohibits an individual from claiming the credit unless he or she has worked as a CNA for at least 12 consecutive months on a full-time basis. Because the credit is refundable, if the amount of the claim for which a claimant is eligible exceeds the claimant's tax liability, the difference will be paid to the claimant by check.

According to the Wisconsin Department of Health Services there are approximately 59,600 records on the Wisconsin Nurse Aide Registry with a "current" or "active" standing. The Wisconsin Nurse Aide Registry lists the individuals who meet federal and/or state requirements to work in Wisconsin.

The bill does not designate a specific period for eligible instructional costs or limit the credit to newly certified nursing assistants. The share of CNAs that would claim the one-time credit and the amount that they would claim is unknown. The Madison Area Technical College lists an estimated total program cost of \$422, though individuals may include other costs such as transportation to and from the program. The costs of other instructional programs may differ as well. If 80% of current CNAs claimed a credit averaging \$422 in the first year of the credit, the bill would increase costs by \$20.1 million in fiscal year 2019 (59,600 x 80% x \$422).

Assuming existing CNAs claim the credit in the first year of eligibility, the ongoing impact of the credit would be limited to newly certified individuals. The Wisconsin Department of Health Services indicates that there are approximately 8,000 new registrants on the Wisconsin Nurse Aide Registry each year. If these individuals claim \$422 each, the ongoing annual cost of the credit would be approximately \$3.4 million beginning in fiscal year 2020.

To the extent that individuals claim higher/lower average expenses, the fiscal impact of the bill would be commensurately higher/lower.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2017 Session

Detailed Estimate of Annual Fiscal Effect

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Description creating an individual income tax credit for certified nursing assistant training costs			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes	\$	\$	
(FTE Position Changes)			
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category	\$	\$	
B. State Costs by Source of Funds			
GPR			
FED			
PRO/PRS			
SEG/SEG-S			
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, ets.)			
	Increased Rev	Decreased Rev	
GPR Taxes	\$	\$	
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
TOTAL State Revenues	\$	\$	
NET ANNUALIZED FISCAL IMPACT			
	<u>State</u>	<u>Local</u>	
NET CHANGE IN COSTS	\$See Text	\$	
NET CHANGE IN REVENUE	\$	\$	
Agency/Prepared By		Authorized Signature	Date
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