

### Fiscal Estimate - 2017 Session

Original       Updated       Corrected       Supplemental

<b>LRB Number</b> 17-1122/1	<b>Introduction Number</b> SB-519	
<b>Description</b> making companies that outsource jobs ineligible for state tax benefits, grants, contracts, and loans; providing an exemption from rule-making procedures; and granting rule-making authority		
<b>Fiscal Effect</b>		
<b>State:</b>		
<input type="checkbox"/> No State Fiscal Effect		
<input checked="" type="checkbox"/> Indeterminate		
<input type="checkbox"/> Increase Existing Appropriations	<input type="checkbox"/> Increase Existing Revenues	
<input type="checkbox"/> Decrease Existing Appropriations	<input type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Create New Appropriations		
<input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input type="checkbox"/> No		
<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	
<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 Unknown		
<b>Agency/Prepared By</b>	<b>Authorized Signature</b>	<b>Date</b>
DWD/ Lillian Kelly (608) 266-7034	David Anderson (608) 266-2284	12/1/2017

## Fiscal Estimate Narratives

DWD 12/1/2017

LRB Number	17-1122/1	Introduction Number	SB-519	Estimate Type	Original
<b>Description</b> making companies that outsource jobs ineligible for state tax benefits, grants, contracts, and loans; providing an exemption from rule-making procedures; and granting rule-making authority					

### Assumptions Used in Arriving at Fiscal Estimate

This bill prohibits any person who operates a business in this state and who outsources work to another state or country from receiving any grant, loan, or tax benefit from this state for five years or from entering into a contract with the state for seven years following the year in which the person outsourced work to another state or country.

The bill creates the seven member Wisconsin Job Development and Retention Commission to determine when a person is outsourcing jobs. The Commission members, appointed by the Secretary the Department of Workforce Development (DWD), include three who represent employees, three who represent employers, and one permanent classified DWD employee who also serves as the nonvoting chairperson. Funding is not identified to support the DWD employee's service on the Commission.

It is not possible to estimate the fiscal impact of this bill without additional information including but not limited to a definition of outsourcing and how it should be applied to multi-site companies, roles of other state agencies responsible for grant-making, procurement and taxation, and the process and frequency of review, notification and appeal. Also, fiscal impact cannot be determined because the bill does not specify whether the DWD appointee to the Commission and/or DWD staff or other DWD resources will be required to design, implement and administer systems for determining, documenting and notifying persons of their ineligibility for grants, loans, tax exemptions, credits and deductions and state procurement contracts.

### Long-Range Fiscal Implications