

Fiscal Estimate - 2021 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 21-5729/1	Introduction Number SB-985
Description creating an individual income tax credit for certified nursing assistant training costs and making an appropriation	
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 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 <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	
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 Ann DeGarmo (608) 266-7179
Date 2/25/2022	

Fiscal Estimate Narratives

DOR 2/25/2022

LRB Number	21-5729/1	Introduction Number	SB-985	Estimate Type	Original
Description creating an individual income tax credit for certified nursing assistant training costs and making an appropriation					

Assumptions Used in Arriving at Fiscal Estimate

This bill creates a refundable individual income tax credit for costs incurred and paid 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, 7,066 individuals successfully completed the Wisconsin-approved standardized competency test and were added to the Wisconsin Nurse Aide Registry in 2017. The Wisconsin Nurse Aide Registry lists the individuals who meet federal and/or state requirements to work in Wisconsin.

Tuition for the Wisconsin Technical College System nursing assistant program costs about \$423 (three credits at \$141 per credit). The Madison Area Technical College also estimates approximately \$70 in material/supplemental costs, for a combined cost of about \$493.

If 7,066 individuals claim an average credit of \$493, the cost of the credit will be approximately \$3.5 million annually. Assuming the bill takes effect before July 31, 2022, the credit will first apply to tax year 2022 and the annual fiscal effect will begin in fiscal year 2023.

To the extent that some individuals have eligible training costs, but do not satisfy the requirement that they worked as a CNA for at least 12 consecutive months on a full-time basis prior to filing a claim, the fiscal effect would be smaller.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2021 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

LRB Number 21-5729/1	Introduction Number SB-985	
Description creating an individual income tax credit for certified nursing assistant training costs and making an appropriation		
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, etc.)		
	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
DOR/ Bradley Caruth (608) 261-8984	Ann DeGarmo (608) 266-7179	2/25/2022