

Fiscal Estimate - 2023 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 23-5987/1	Introduction Number AB-1219
Description study of guaranteed employment grant program and making an appropriation	
Fiscal Effect	
State: <input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input checked="" 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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input 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 s. 20.445 (1) (a)	
Agency/Prepared By DWD/ Andrew Evenson (608) 405-4472	Authorized Signature Jennifer Sereno (608) 267-9692
Date 5/8/2024	

Fiscal Estimate Narratives

DWD 5/8/2024

LRB Number	23-5987/1	Introduction Number	AB-1219	Estimate Type	Original
Description study of guaranteed employment grant program and making an appropriation					

Assumptions Used in Arriving at Fiscal Estimate

Under the proposed bill, the department must conduct a study of the requirements to create a grant program administered by the department or a municipality to award grants to public and nonprofit entities who provide services in the care economy. The grant program's purpose would be to provide funding to employer grantees to create and offer guaranteed jobs, that are covered by a collective bargaining agreement, for at least 100 days of eight hours per day at a pay rate of \$20 per hour.

The study must determine the number of positions required, the cost, the number of individuals who would be eligible for a position under the grant program, paid training strategies for jobs offered under the program, and strategies to create pathways to and opportunities for full-time employment.

No later than 18 months after the bill's effective date, the department is required to submit a written report of its findings and recommendations resulting from the study to the governor and to the chief clerk of each house of the legislature for distribution to the appropriate standing committees. The bill provides a one-time GPR increase of \$250,000 to the department's s. 20.445 (1) (a) appropriation in fiscal year 2023-24 to cover costs for conducting the study and creating the report.

The department estimates the bill's fiscal impact to be a one-time cost of \$250,000 GPR. To meet the requirements outlined in the bill, the department would need two researchers for a period greater than one year (between 18 months and 24 months). The department anticipates seeking a contract to complete the study because it is a one-time effort, and position authority is not included under the bill.

The bill provides \$250,000 for the study in an annual GPR appropriation. With two months remaining in fiscal year 2023-24, the department anticipates it would not have sufficient time to enter a contract to complete the study. Therefore, the funding provided could not be utilized and would lapse at the close of fiscal year 2023-24. The estimated \$250,000 cost is not absorbable within the department's base fiscal year 2024-25 funding.

Long-Range Fiscal Implications

None

Fiscal Estimate Worksheet - 2023 Session

Detailed Estimate of Annual Fiscal Effect

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Description study of guaranteed employment grant program and making an appropriation		
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): One-time cost increase of \$250,000.		
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	\$	\$
NET CHANGE IN REVENUE	\$	\$
Agency/Prepared By Authorized Signature Date		
DWD/ Andrew Evenson (608) 405-4472	Jennifer Sereno (608) 267-9692	5/8/2024