

## Fiscal Estimate - 2025 Session

☒ Original
 ☐ Updated
 ☐ Corrected
 ☐ Supplemental

<b>LRB Number</b> <b>25-1836/1</b>	<b>Introduction Number</b> <b>AB-0280</b>	
<b>Description</b> workforce housing and childcare awards under the business development tax credit		
<b>Fiscal Effect</b>  <b>State:</b> <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> No State Fiscal Effect  <input checked="" type="checkbox"/> Indeterminate  <div style="margin-left: 20px;"> <input type="checkbox"/> Increase Existing Appropriations  <input type="checkbox"/> Decrease Existing Appropriations  <input type="checkbox"/> Create New Appropriations                             </div> </div> <div style="width: 33%;"> <input type="checkbox"/> Increase Existing Revenues  <input checked="" type="checkbox"/> Decrease Existing Revenues                             </div> <div style="width: 33%;"> <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget  <div style="margin-left: 20px;"> <input checked="" type="checkbox"/> Yes    <input type="checkbox"/> No                             </div> <input type="checkbox"/> Decrease Costs                         </div> </div> <b>Local:</b> <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> No Local Government Costs  <input type="checkbox"/> Indeterminate  <div style="margin-left: 20px;">                         1. <input type="checkbox"/> Increase Costs  <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory                          2. <input type="checkbox"/> Decrease Costs  <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory                     </div> </div> <div style="width: 33%;"> <div style="margin-left: 20px;">                         3. <input type="checkbox"/> Increase Revenue  <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory                          4. <input type="checkbox"/> Decrease Revenue  <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory                     </div> </div> <div style="width: 33%;"> <b>5. Types of Local Government Units Affected</b>  <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> Towns  <input type="checkbox"/> Counties  <input type="checkbox"/> School Districts                             </div> <div style="width: 33%;"> <input type="checkbox"/> Village  <input type="checkbox"/> Others  <input type="checkbox"/> WTCS Districts                             </div> <div style="width: 33%;"> <input type="checkbox"/> Cities                             </div> </div> </div> </div>		
<div style="display: flex; justify-content: space-between;"> <div> <b>Fund Sources Affected</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                         </div> <div> <b>Affected Ch. 20 Appropriations</b> </div> </div>		
<b>Agency/Prepared By</b> WEDC/ Ben Piatt (608) 210-6723	<b>Authorized Signature</b> Christopher Brooks (608) 210-6723	<b>Date</b> 6/17/2025

**Fiscal Estimate Narratives**  
**WEDC 6/17/2025**

LRB Number	<b>25-1836/1</b>	Introduction Number	<b>AB-0280</b>	Estimate Type	<b>Original</b>
<b>Description</b> workforce housing and childcare awards under the business development tax credit					

**Assumptions Used in Arriving at Fiscal Estimate**

SB-0286/AB-280 expands eligibility for the Business Development Tax Credit's (BTC) workforce housing and childcare provisions. Under current law, a 15% refundable tax credit may be claimed for capital investments into workforce housing/childcare programming directly benefiting a claimant's employees. This proposal removes this restriction, allowing a refundable credit for capital investments or contributions made to third parties that develop or rehabilitate workforce housing or establish childcare programs. This includes contributions to local revolving loan funds.

By broadening eligibility, the proposal is expected to increase the number of BTC claimants for workforce housing and childcare. While this would increase total tax credit claims, the BTC program is historically underutilized, so the overall fiscal impact is likely to remain modest. To date, WEDC has not certified any credits under these categories.

In terms of impact to WEDC's budget, the proposal would likely increase the use of WEDC resources to process increased applications for BTC certifications under the expanded criteria for the workforce housing and childcare tax credits. This cost should be absorbable into the Corporation's budget, since BTC is, in general, an underutilized program.

**Long-Range Fiscal Implications**