



WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

2013 Senate Bill 335

**Senate Amendments 1 and 2
and Senate Amendment 1 to
Senate Amendment 2**

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2013 Senate Bill 335

2013 Senate Bill 335 creates a tuition reimbursement program for apprentices and employers to reimburse the cost of tuition and fees charged by a technical college or a proprietary school to enroll in a post-secondary, vocational-adult, or collegiate transfer course providing classroom instruction that is related to an apprenticeship program. The bill requires the Department of Workforce Development (DWD) to administer the program under which the department may reimburse the cost of tuition incurred by a person who has completed an apprenticeship program and who is employed in the trade, craft, or business in which the person was trained under the program, or incurred by that person's employer. The bill provides \$225,000 general purpose revenue (GPR) in fiscal years 2013-14 and 2014-15 for the program.

Under the program, if DWD determines that a person is eligible for tuition reimbursement, the department must reimburse the person or the person's employer for 25% of the cost of tuition incurred by the person or employer, but the reimbursement may not exceed \$1,000. If the amount of funds applied for exceeds the amount appropriated for the tuition reimbursement program, DWD may reduce the reimbursement percentage or deny applications for reimbursement that would otherwise qualify. In that case, DWD must determine the reimbursement percentage and eligibility on the basis of the dates on which applications for reimbursement were received. The bill also creates application requirements, grants DWD the authority to promulgate rules to administer the program, and creates certain limitations on individuals seeking reimbursement who are delinquent in child support or maintenance payments or who owe past support, medical expenses, or birth expenses.

Senate Amendment 1

Senate Amendment 1 replaces the tuition reimbursement program, as proposed under the bill, with an apprenticeship completion award program. This amendment requires DWD to partially reimburse the tuition costs paid by apprentices who have successfully completed part or all of their apprenticeship requirements, or the sponsors of those apprentices. A sponsor of an apprentice, not limited to only the employer of the apprentice, is eligible for partial tuition reimbursement for the

amount paid. This amendment also permits an apprentice to receive partial tuition reimbursement while participating in an apprenticeship program, rather than only after having completed an apprenticeship program. An individual is not eligible for the apprenticeship completion award program for tuition paid after expiration of an apprentice contract. This amendment also eliminates the application requirements created by the bill. In addition, Senate Amendment 1 permits reimbursement for any tuition costs paid by apprentices, rather than reimbursing only the cost of tuition and fees charged by a technical college or a proprietary school to enroll in a post-secondary, vocational-adult, or collegiate transfer course providing classroom instruction that is related to an apprenticeship program.

Similar to the tuition reimbursement program under the bill, Senate Amendment 1 requires DWD to provide a completion award equal to 25% of the cost of tuition, but no more than \$1,000, incurred by an apprentice who has successfully completed an apprenticeship program and who is employed in the trade, craft, or business in which the apprentice was trained under the apprenticeship program or by a sponsor of such an apprentice. However, Senate Amendment 1 permits the award to be paid in two parts. The first payment may be made upon the successful completion of the first year of an apprenticeship contract, but the amount of the first payment may not exceed \$250. The remainder of the award may be paid upon the final completion of all apprenticeship requirements. Senate Amendment 1 also requires DWD to reduce the amount of a completion award when the apprentice has incurred a reduced amount of tuition costs or when the sponsor is a unit of state or local government.

Senate Amendment 2

Senate Amendment 2 is similar to Senate Amendment 1 to the bill. Both amendments require DWD to administer an apprenticeship completion award program to partially reimburse tuition costs incurred by an apprentice who has successfully completed part or all of the requirements of his or her apprenticeship program and who is employed in the trade, occupation, or business in which he or she is being trained under the apprenticeship program, or the sponsor of the apprentice. However, Senate Amendment 2 also does the following:

- Defines “tuition costs” to mean any fee that is charged for an apprentice to participate in related instruction under s. 106.01 (6), Stats.
- Clarifies that the cost of tuition can be paid by either the apprentice or the apprentice’s sponsor.
- Caps the amount of the total completion award at 25% of the cost of tuition incurred by the apprentice **and** sponsor or \$1,000, whichever is less.
- Specifies that a state agency or local governmental unit is not a “sponsor,” meaning that a state agency or local governmental unit may not receive an apprenticeship completion award. Senate Amendment 1 requires DWD to reduce the amount of a completion award when the sponsor is a unit of state or local government, but does not prohibit a unit of state or local government from receiving the award.
- Provides that if the amount of funds to be distributed under the program exceed the amount of funds available under the bill’s appropriation, DWD may reduce the reimbursement percentage or deny applications for the completion awards that would otherwise qualify. In that case, DWD must determine the reimbursement percentage and eligibility on the basis of the dates on which apprentices and sponsors become eligible for completion awards. The bill provides that DWD must determine the reimbursement percentage and eligibility on the basis

of the dates on which applications for reimbursement were received. Senate Amendment 1 does not affect this provision.

Senate Amendment 1 to Senate Amendment 2

Senate Amendment 1 to Senate Amendment 2 creates an initial applicability clause. The initial applicability clause provides that the bill first applies to an apprentice who successfully completes part or all of the requirements of his or her apprenticeship program on the first day of the third month after DWD promulgates rules to administer the apprenticeship program.

Bill History

Senate Amendment 1 was introduced by Senator Harsdorf. On October 11, 2013, the Senate Committee on Economic Development and Local Government voted to recommend adoption of Senate Amendment 1 and passage of the bill, as amended, on a vote of Ayes, 5; Noes, 0.

Senate Amendment 2 was introduced by Senator Harsdorf and Senate Amendment 1 to Senate Amendment 2 was introduced by the Joint Committee on Finance. On October 15, 2013, the Joint Committee on Finance voted to recommend adoption of Senate Amendment 1 to Senate Amendment 2, adoption of Senate Amendment 2, as amended, and passage of the bill, as amended, on a vote of Ayes, 16; Noes, 0.

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