



State of Wisconsin
2021 - 2022 LEGISLATURE

LRB-4566/P1
EHS:cjs

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

1 **AN ACT** *to amend* 49.145 (3) (b) 1. of the statutes; **relating to:** the exclusion of
2 certain amounts from the calculation of income for purposes of Wisconsin
3 Works eligibility (suggested as remedial legislation by the Department of
4 Children and Families).

Analysis by the Legislative Reference Bureau

Under current law, the Wisconsin Works (W-2) program is administered by the Department of Children and Families and provides work experience and benefits for low-income custodial parents who are at least 18 years old. Eligibility criteria for employment positions and job access loans under W-2 require an individual to meet certain income requirements. Current law requires that, in calculating gross income, all earned and unearned income of the individual be included, except for certain tax and financial aid related amounts. This bill eliminates from the amounts that must be excluded from this calculation any payment made by an employer under a provision of the Internal Revenue Code that authorized advance payment of earned income credit.

For further information, see the NOTES provided by the Law Revision Committee of the Joint Legislative Council.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

LAW REVISION COMMITTEE PREFATORY NOTE: This bill is a remedial legislation proposal, requested by the Department of Children and Families and introduced by the Law Revision Committee under s. 13.83 (1) (c) 4. and 5., stats. After careful consideration of the various provisions of the bill, the Law Revision Committee has determined that this bill makes minor substantive changes in the statutes, and that these changes are desirable as a matter of public policy.

1 **SECTION 1.** 49.145 (3) (b) 1. of the statutes is amended to read:

2 49.145 (3) (b) 1. All earned and unearned income of the individual, except any
3 amount received under section 32 of the Internal Revenue Code, as defined in s. 71.01
4 (6), any amount received under s. 71.07 (9e), ~~any payment made by an employer~~
5 ~~under section 3507 of the Internal Revenue Code, as defined in s. 71.01 (6)~~, any
6 student financial aid received under any federal or state program, any scholarship
7 used for tuition and books, and any assistance received under s. 49.148. In
8 determining the earned and unearned income of the individual, the Wisconsin works
9 agency may not include income earned by a dependent child of the individual.

NOTE: This SECTION removes a reference to an IRS Code provision that no longer exists.

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(END)