



SHANNON ZIMMERMAN

STATE REPRESENTATIVE • 30th ASSEMBLY DISTRICT

Assembly Bill 115 Assembly Committee on Workforce Development May 5, 2021

Thank you Chairman Petryk and committee members for hearing testimony on Assembly Bill 115 today. This bill would create an individual income tax deduction directed at tuition paid for apprenticeship programs.

Under current law, all tuition paid for schooling programs approved by the Department of Workforce Development is tax deductible. However, tuition for apprenticeship programs does not qualify for this deduction. AB 115 would bring some parity to this issue and provide the deduction for tuition paid in apprenticeship programs.

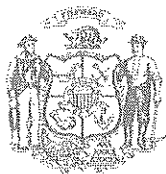
We are all aware of the workforce shortages throughout our state and across industries. This is one small policy change we can make to incentivize young people to consider the trades through an apprenticeship program.

This bill as drafted was approved by this committee on a unanimous 15-0 vote last session, but we were unable to make it to the floor of either chamber. In addition, 2017 AB 734, which was a more expansive version of this draft, was passed by the Assembly, but did not receive a vote in the Senate.

Finally, I want to clarify that this deduction would only apply to tuition paid by the student or apprentice and would not apply to tuition paid by the employer.

The proposal is supported by the Associated Builders and Contractors, MMAC, the Wisconsin Builders Association, the Wisconsin Manufacturers and Commerce, and the Wisconsin Technical College District Boards among others.

Thank you again for your time and I would be happy to take any questions at this time.



ANDRÉ JACQUE

STATE SENATOR • 1ST SENATE DISTRICT

Phone: (608) 266-3312

Fax: (608) 282-3541

Sen.Jacque@legis.wi.gov

State Capitol - P.O. Box 7882

Madison, WI 53707-7882

Testimony before the Assembly Committee on Workforce Development

State Senator André Jacque

May 5, 2021

Chairman Petryk and Committee Members,

Thank you for the opportunity to provide testimony as the Senate author of Assembly Bill 115, bi-partisan workforce and education fairness legislation that Rep. Zimmerman and I have re-introduced to extend the deductibility of postsecondary tuition to apprenticeship instruction.

Currently, all tuition for schooling programs that are approved by the Department of Workforce Development qualifies as tax deductible, but apprenticeship programs are not included. Assembly Bill 115 levels the playing field by creating an individual income tax deduction for tuition expenses paid by an individual for an individual to participate in an apprenticeship program that is approved by the Department of Workforce Development. If the deduction is claimed by an individual, the participant in the apprenticeship program must be the individual or his or her dependent.

Assembly Bill 115 is identical to 2019 AB 45 as amended, which passed the Assembly Committee on Workforce Development last session by a 15-0 vote, and is virtually identical (with the exception of the corporate tax credit being since removed from the legislation) to 2017 AB 734, which passed the Assembly that session by voice vote.

The broad coalition supporting this legislation includes the Wisconsin Economic Development Association, Wisconsin Technical College District Boards Association, Associated Builders and Contractors, Wisconsin Manufacturers and Commerce, Waukesha County Business Alliance, Wisconsin Electric Cooperative Association, Metropolitan Milwaukee Association of Commerce, Wisconsin Builders Association, and the Wisconsin Grocers Association.

Thank you for your consideration of Assembly Bill 115.