



## Fiscal Estimate Narratives

COMM 10/15/01

LRB Number 01-3897/2	Introduction Number AB-557	Estimate Type Original
<b>Subject</b> Legislative Council Committee on Labor Shortage fiscal recommendations		

### Assumptions Used in Arriving at Fiscal Estimate

Two sections of the bill affect the Department of Commerce:

1. The bill requires the department to develop, implement, and administer a program designed to assist businesses in providing training to their employees that will improve the employees' productivity, and that will promote, and provide workers for, jobs within the business that require high degrees of skill and that pay high wages. In administering this program, the department must do the following:

- Certify businesses that meet statutory requirements as being eligible to claim the tax credit.
- Certify training expenses that meet statutory requirements as eligible for claiming on corporate or individual tax returns.
- Approve entities that provide productivity assessment or business planning services.
- Notify the Department of Revenue of persons entitled to claim tax credits.
- Annually estimate the amount of state tax revenue foregone as a result of the program.
- Annually report to the legislature on the effectiveness of the program.

The program is not limited in the type of size of business that may claim the credit. The Department of Commerce expects that numerous Wisconsin businesses will take advantage of this credit. To administer the program, the department will require 1.0 FTE GPR position. Costs for the position are as follows:

Salary \$35,100  
Fringe Benefits \$13,100  
Ongoing Supplies and Services \$5,000

Total Annual Costs \$53,200 GPR

One-time computer costs \$3,000  
One-time cubicle costs \$4,000

Total One-time Costs \$7,000 GPR

2. The bill makes the environmental remediation portion of the development zones tax credit transferable to another taxpayer in the state. This provision will not increase costs for the department.

### Long-Range Fiscal Implications