

Fiscal Estimate Narratives

WEDC 12/9/2013

LRB Number	13-3177/1	Introduction Number	AB-0521	Estimate Type	Original
Description Grants for hiring new employees and making an appropriation					

Assumptions Used in Arriving at Fiscal Estimate

2013 Assembly Bill 521 requires WEDC to operate a new program and creates an appropriation in a sum sufficient amount to cover program incentive payments. The bill directs WEDC to provide grants to eligible small businesses (no more than 10 employees at time of application) for 6.27% of growth in payroll from one calendar quarter to the next, attributable to the increase in full-time employees. Businesses that receive a grant under this program may not receive a Jobs Tax Credit for the same activity. The funding for the program is capped at \$2,000,000.

Long-Range Fiscal Implications

WEDC already has the authority to implement grant and loan programs, with approval from its board, including staffing the functional areas of promotion to business, underwriting, compliance, and finance. By requiring WEDC to administer the program specified in this bill, it will divert staff resources away from other existing programs to this meet new statutory requirement.