WISCONSIN LEGISLATIVE COUNCIL
AMENDMENT MEMO

2013 Assembly Bill 403	**Assembly Amendment 1 and Assembly Amendment 1 to Assembly Amendment 1**
Memo published: October 30, 2013	*Contact*: **Jessica Ozalp, Staff Attorney (266-2982)**

2013 Assembly Bill 403

2013 Assembly Bill 403 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.

Assembly Amendment 1

Assembly 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 by the sponsors of those apprentices. A sponsor of an apprentice, which need not be 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 completing the program. An individual is not eligible for the apprenticeship completion award program for tuition paid after expiration of an apprentice contract. Assembly Amendment 1 also eliminates the application requirements created by the bill. In addition, it 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, Assembly 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, Assembly 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, in an amount up to $250. The remainder of the award may be paid upon the final completion of all apprenticeship requirements.

Assembly Amendment 1 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.

- 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. Assembly Amendment 1 does not affect this provision.

Assembly Amendment 1 to Assembly Amendment 1

Assembly Amendment 1 to Assembly Amendment 1 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

Assembly Amendment 1 and Assembly Amendment 1 to Assembly Amendment 1 were introduced by Representative Nerison. On October 17, 2013, the Assembly Committee on Workforce Development voted to recommend adoption of Assembly Amendment 1 and Assembly Amendment 1 to Assembly Amendment 1 and passage of the bill, as amended, on votes of Ayes, 15; Noes, 0.

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