

2007

LEGISLATIVE PRIORITIES

Legislation Proposed by
Rehabilitation For
Wisconsin, Inc. (RFW),



Who We Are:

Rehabilitation For Wisconsin, Inc. (RFW) is a statewide non-profit membership association of over 50 community rehabilitation providers. Members provide services that address the vocational, residential, and community support needs of people with disabilities or other disadvantages.

RFW, Inc.

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Community Rehabilitation Program Tax Credit - (LRB 1413/1 and LRB 1786/1)

SUMMARY

- ◆ Unemployment or underemployment exceeds 60% for people with disabilities in Wisconsin.
- ◆ "Waiting Lists" for work related services is over 2,000 people statewide.
- ◆ State tax credits would create incentives for business to outsource manufacturing and other commercial services to Community Rehabilitation Programs (CRPs).

TAX CREDIT LIMITATIONS

- ◆ Business must contract with a CRP to receive a tax credit equal to 5% of the amount paid to a CRP to perform work for the business.
- ◆ Maximum credit is \$25,000 per year for each CRP under contract.
- ◆ Business may carry forward unused portion of credits for up to 15 years.

CRPs

- ◆ provide real work for people with disabilities.
- ◆ prepare people for competitive employment in Wisconsin's communities.
- ◆ partner with businesses within their communities as outsourcing solutions.
- ◆ operate as affirmative industries.
- ◆ provide employment assessments, work adjustment services, skill training and placement services.

WHY IS A TAX CREDIT NECESSARY?

- ◆ First, employment is vital to independence, empowerment, and quality of life for people with disabilities. Employment training is crucial to prepare people with disabilities to enter the job market. DWD indicates a shortage of workers for high demand service areas.
- ◆ Secondly, CRP industrial capacity is under utilized and they have a readily available labor force. Creates incentives to bring work back into the State of Wisconsin. Consistent with Governor Doyle's "Grow Wisconsin Plan" to improve manufacturing productivity and create a highly trained workforce.

ANTICIPATED OUTCOMES

- ◆ Move people with disabilities into integrated employment
- ◆ Assist people in reaching full productivity
- ◆ Create more options for real work
- ◆ Reduce long term supports
- ◆ Expand affirmative industries

POSITIVE IMPACT

- ◆ Estimate over 700 jobs created (1st year)
- ◆ Increase in government revenues
 - Personal Income Taxes
 - Social Security Contributions
 - Sales Taxes
- ◆ Reductions to government entitlements
 - Medical Assistance (Medicare & Medicaid)
 - SSI & SSDI Cash Benefit