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Assembly Committee on Jobs and Economy Testimony on Assembly Bill 139

A Tax Credit for Relocating to Wisconsin Due to Hurricane Helene or the Los Angeles Wildfires April 23, 2025

Thank you, Chairman Gundrum, and members of the Assembly Committee on Jobs and Economy for holding a hearing on Assembly Bill 139, which creates a tax credit incentive for those relocating to Wisconsin due to Hurricane Helene or the Los Angeles wildfires.

In late 2024 and early 2025, two once-in-a-century natural disasters displaced tens of thousands of people. In September, Hurricane Helene devastated the American Southeast, causing flash floods throughout rural North Carolina that wiped out entire towns and communities. Around the new year, wildfires broke out around Los Angeles, leading to vast devastation in the Pacific Palisades and several other neighborhoods around the City. Many have lost nearly all possessions and will need to start anew. These people have been told they will need to wait a year just for the rubble to be cleared, not to mention how long it will take to rebuild.

While those in the affected areas may be looking for a fresh start, Wisconsin is facing a workforce shortage in critical industries, especially healthcare. The intention behind AB 139 is simple, why not incentivize these individuals to come live in Wisconsin? Once enacted, individuals who move to Wisconsin from Los Angeles County or North Carolina are eligible for a one-time income tax credit up to \$10,000 on their 2025 state tax filing. This tax credit will help offset moving costs for these individuals while bringing in qualified workers to fill current vacancies.

There are some safeguards built into this bill. The tax credit cannot be claimed by someone convicted of a felony. Additionally, the individual claiming the tax credit must have established residency in the disaster area, shown in their 2024 tax filing.

Thank you for your time and attention. I'm happy to answer any questions you might have.



DAN FEYEN

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To: The Assembly Committee on Jobs and Economy
From: Sen. Dan Feyen
Re: Assembly Bill 139

Hello members of the committee, thank you for taking the time to hear testimony on AB 139.

In early January of this year, the Palisades fire burned through Los Angeles County in California, ultimately destroying nearly 7,000 structures, and damaging nearly 1,000 more.

Hurricane Helene hit the gulf in September 2024 and the ensuing flooding in North Carolina caused nearly \$60 billion in damage across the state.

These natural disasters have left residents with their lives completely upended, facing the choice to stay and rebuild or relocate somewhere else. And while the hope is that they would get the support needed to rebuild and keep their families in place, the reality on the ground is proving to be quite different. For instance, as of four weeks ago, the city of Los Angeles had issued just four rebuilding permits in the Pacific Palisades after the fire. At this rate, the last family to rebuild will get back into their home in about 300 years. Six months after the flooding in North Carolina, the state had not yet began rebuilding a single home.

We should be ready to step up to the plate where others are failing. This bill sends a clear message that Wisconsin is open and ready to take in those effected with open arms. By offering a one-time income tax credit of \$10,000, AB 139 will offer a helping hand after these natural disasters, while also helping to address our workforce shortages.

If someone is going to relocate after losing their home to one of these natural disasters, we should want it to be right here in Wisconsin.

Thank you for taking the time to hold a public hearing on this bill.