

ADM 19-SMALL CITY BUDGET
GRANT 98-110

WISCONSIN LEGISLATIVE COUNCIL STAFF

LCRC
FORM 2

RULES CLEARINGHOUSE

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CLEARINGHOUSE REPORT TO AGENCY

[THIS REPORT HAS BEEN PREPARED PURSUANT TO S. 227.15, STATS. THIS IS A REPORT ON A RULE AS ORIGINALLY PROPOSED BY THE AGENCY; THE REPORT MAY NOT REFLECT THE FINAL CONTENT OF THE RULE IN FINAL DRAFT FORM AS IT WILL BE SUBMITTED TO THE LEGISLATURE. THIS REPORT CONSTITUTES A REVIEW OF, BUT NOT APPROVAL OR DISAPPROVAL OF, THE SUBSTANTIVE CONTENT AND TECHNICAL ACCURACY OF THE RULE.]

CLEARINGHOUSE RULE 98-110

AN ORDER to repeal Adm 19.04 and 19.05 (6); to renumber Adm 19.05 (5), (7), (8) and (9), 19.07 and 19.08; to renumber and amend Adm 19.05 (intro.), (1), (2), (3) and (4) and 19.06 (intro.), (1) and (2); to amend Adm 19.02 (6); and to create Adm 19.02 (7) and 19.08 (1) (a) and (b), (2) and (3), relating to small cities community development block grants for housing.

Submitted by **DEPARTMENT OF ADMINISTRATION**

08-12-98 RECEIVED BY LEGISLATIVE COUNCIL.
09-10-98 REPORT SENT TO AGENCY.

RNS:DF:kjf;jt

LEGISLATIVE COUNCIL RULES CLEARINGHOUSE REPORT

This rule has been reviewed by the Rules Clearinghouse. Based on that review, comments are reported as noted below:

1. STATUTORY AUTHORITY [s. 227.15 (2) (a)]

Comment Attached YES NO

2. FORM, STYLE AND PLACEMENT IN ADMINISTRATIVE CODE [s. 227.15 (2) (c)]

Comment Attached YES NO

3. CONFLICT WITH OR DUPLICATION OF EXISTING RULES [s. 227.15 (2) (d)]

Comment Attached YES NO

4. ADEQUACY OF REFERENCES TO RELATED STATUTES, RULES AND FORMS
[s. 227.15 (2) (e)]

Comment Attached YES NO

5. CLARITY, GRAMMAR, PUNCTUATION AND USE OF PLAIN LANGUAGE [s. 227.15 (2) (f)]

Comment Attached YES NO

6. POTENTIAL CONFLICTS WITH, AND COMPARABILITY TO, RELATED FEDERAL
REGULATIONS [s. 227.15 (2) (g)]

Comment Attached YES NO

7. COMPLIANCE WITH PERMIT ACTION DEADLINE REQUIREMENTS [s. 227.15 (2) (h)]

Comment Attached YES NO

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CLEARINGHOUSE RULE 98-110

Comments

[NOTE: All citations to "Manual" in the comments below are to the Administrative Rules Procedures Manual, prepared by the Revisor of Statutes Bureau and the Legislative Council Staff, dated October 1994.]

2. Form, Style and Placement in Administrative Code

- a. In all of the treatment clauses in the rule, a period should replace the colon.
- b. In SECTION 7, present s. Adm 19.06 is essentially being repealed and recreated in its entirety, and then renumbered as new s. Adm 19.05.

These changes should be accomplished in two separate SECTIONS of the draft. One SECTION should repeal present s. Adm 19.06. Another SECTION should create the text of new s. Adm 19.05 without strike-throughs and underscored language.

Also, "Department" should be lower case. The phrase "do all of the following" should precede the colon in s. Adm 19.05 (intro.) and "; or" should be replaced by a period in sub. (1).

- c. In s. Adm 19.08 (2), after "but," "shall" should replace "will." [See s. 1.01 (1), Manual.]

- d. In s. Adm 19.08 (3), should "under sub. (1)" be inserted after "resubmitted"? An applicant may presumably reapply several times if the applicant is not using the process under sub. (1).

5. Clarity, Grammar, Punctuation and Use of Plain Language

Section Adm 19.04 (intro.), as renumbered and amended, states that applicants will be compared and rated based upon three items, one of which is "the scoring criteria in the CDBG

application package.” The department should review the provision to determine whether this package will contain any substantive material that is required to be promulgated as a rule. [See ss. 227.01 (13) and 227.10 (1), Stats.]

**PROPOSED ORDER OF THE
DEPARTMENT OF ADMINISTRATION**

The Wisconsin Department of Administration proposes an order to repeal Adm 19.04 and 19.05(6); to renumber Adm 19.05(5), (7), (8) and (9), Adm 19.07 and Adm 19.08; to renumber and amend Adm 19.05(intro.), (1), (2), (3) and (4), and Adm 19.06(intro.), (1) and (2); to amend Adm 19.02(6), and to create Adm 19.02(7) and Adm 19.08(1)(a), (b), (2), and (3) of the Wisconsin Administrative Code.

rel. to...

Analysis prepared by the Department of Administration:

Section 16.358, Stats., was created in 1991 authorizing the Department of Administration to adopt and administer Chapter Adm 19. This chapter establishes the requirements for the award of Community Development Block Grant funds to local units of government.

The creation of Adm 19.08 is proposed in order to comply with the amendments to s. 16.358 as created in 1997 Wisconsin Act 27. Section Adm 19.05(6) is deleted in order to remove a subjective element from the evaluation criteria. The other changes are not substantive but are made for the purposes of clarification of existing language.

Statutory Authority: Sections 16.004(1), 16.358(2) and 227.11, Stats.

Statutes Interpreted: Section 16.358, Stats.

Initial Regulatory Flexibility Analysis:

Pursuant to s. 227.114, Stats., the rule herein is not expected to negatively impact on small businesses.

TEXT OF RULE:

SECTION 1: Adm 19.02(6) is amended to read:

o.k.
(6) "~~Program area~~" "Target area" means the area of a community which has a greater proportion of LMI households than the community as a whole. An eligible applicant may choose to designate the entire community as a ~~program~~ target area.

SECTION 2: Adm 19.02(7) is created to read:

o.k.
(7) "Unfunded application" means a CDBG application which receives an insufficient point score in the evaluation process to receive funding in a program year.

c.l.
SECTION 3: Adm 19.04 is repealed.

SECTION 4: Adm 19.05 (intro), (1), (2), (3) and (4) are renumbered Adm 19.04(intro), (1), (2), (3) and (4) and amended to read:

Adm

19.04 Evaluation Criteria. Applicants shall be compared and rated by the department based upon the department's evaluation of the proposal's consistency with s. 16.31, Stats., 24 CFR part 570, and the scoring criteria in the CDBG application package. Applicants shall also be compared and rated by the department based on the applicant's discussion and documentation of relevant evaluation criteria including, but not limited to, the following:

rule? →

- (1) Program Target area need as defined by the department in the CDBG application package.
- (2) The percentage of program benefit funds directed toward households with the lowest income.
- (3) The extent to which program funds are directed to areas that are most in need ~~and to communities that can most effectively use the funds.~~
- (4) The extent to which housing needs in the community and in the program target area have been adequately documented.

SECTION 5: Adm 19.05(6) is repealed.

SECTION 6: Adm 19.05(5), (7), (8) and (9) are numbered Adm 19.04(5), (6), (7) and (8).

SECTION 7: Adm 19.06(intro), (1) and (2) are renumbered Adm 19.05(intro), (1) and (2) and amended to read:

Adm 19.05 Application process. The Department shall make funds available annually as those funds are made available by the federal department of housing and urban development. To receive funds under this program, an eligible applicant shall submit an application to the department. shall:

- (1) ~~The application shall contain information required by 24 CFR part 570, ss. Adm 19.04 and 19.05. Submit an application which is complete and in the format required by the department; or~~
- (2) ~~The department shall make funds available annually as those funds are made available by the federal department of housing and urban development. Resubmit an unfunded application as described in Adm 19.08, and in a format and with supporting documentation as required by the department.~~

SECTION 8: Adm 19.07 and Adm 19.08 are renumbered Adm 19.06 and Adm 19.07.

SECTION 9: Adm 19.08 is created to read:

*Am It
see
interim
funds
create
sec. to
repeal
19.06 & 7
recreate
19.05*

de all

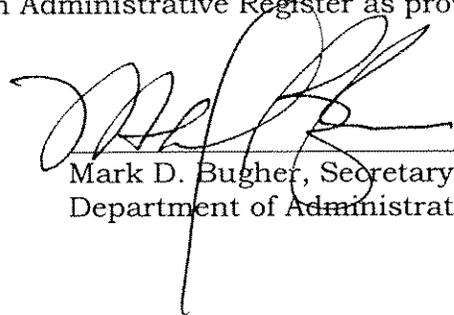
Adm 19.08 Resubmitted applications. (1) An applicant for funds shall be eligible to receive funds in the CDBG program year following the year for which the applicant submits an unfunded application, without having to submit another application for that following year if all of the following apply:

- (a) The applicant is an eligible applicant under the terms of the program.
- (b) The applicant submits a request to resubmit in a format as required by the department.
- (2) The resubmitted application will not be reevaluated, but *shall* retain the score received in the original application competition.
- (3) An unfunded application may be resubmitted [✓] only once.

under sub. (1)

This rule shall take effect on the first day of the month commencing after the date of publication in the Wisconsin Administrative Register as provided in s. 227.22(2)(intro.), Stats.

Dated: August 10, 1998



Mark D. Bugher, Secretary
Department of Administration