

2001 DRAFTING REQUEST

Bill

Received: **01/02/2002**

Received By: **kahlepj**

Wanted: **Soon**

Identical to LRB:

For: **Administration-Budget**

By/Representing: **Dombrowski**

This file may be shown to any legislator: **NO**

Drafter: **kahlepj**

May Contact:

Addl. Drafters:

Subject: **Econ. Development - housing**

Extra Copies:

Submit via email: **NO**

Pre Topic:

DOA:.....Dombrowski -

Topic:

Use WHEDA reserve funding for DOA housing grants and loans

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	kahlepj 01/08/2002	hhagen 01/09/2002		_____			State
/P1			jfrantze 01/09/2002	_____	lrb_docadmin 01/09/2002		

FE Sent For:

<END>

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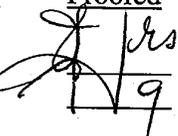
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Use WHEDA reserve funding for DOA housing grants and loans

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See Attached

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1/?	kahlepj	1/1 hnh 1/8/01					

FE Sent For:

<END>

STATE OF WISCONSIN
DEPARTMENT OF ADMINISTRATION
101 East Wilson Street, Madison, Wisconsin

TOMMY G. THOMPSON
GOVERNOR

GEORGE LIGHTBOURN
SECRETARY



Division of Executive Budget and Finance
Post Office Box 7864
Madison, WI 53707-7864
Voice (608) 266-1736
Fax (608) 267-0372
TTY (608) 267-9629

Date: December 21, 2001

To: Steve Miller, LRB

From: Cynthia Dombrowski, DOA Budget Analyst
266-5878

Subject: Budget Adjustment Bill Statutory Language Changes for the Department of Administration

b1505
MDK & JTK

I am forwarding statutory language changes for governor's initiatives for the budget adjustment bill.

- ~~1. Repeal the Wisconsin Patient Safety Institute grant from DOA effective July 1, 2002.~~
2. Use funding from the WHEDA reserve for housing grants awarded by DOA from 20.505(7)(b), Housing grants and loans.

cc: Dan Caucutt

Kuesel, Jeffery

From: Dombrowski, Cynthia
Sent: Friday, December 21, 2001 2:55 PM
To: Kuesel, Jeffery
Cc: Caucutt, Dan
Subject: Heads Up on DOA Adjustment Bill Items

Hi Jeff --

I wanted to give you a heads up on 2 adjustment bill items we're working on.

1) Repeal the appropriation and grant program under 20.505(1)(fe), Wisconsin Patient Safety Institute, inc grants, effective July 1, 2002.

2) Use funding from the WHEDA reserve in place of GPR for housing grants awarded by DOA from 20.505(7)(b), Housing grants and loans. There should be an amendment to s.243.165(2) which would require WHEDA to allocate \$3,300,000 annually of its surplus for the purposes of funding the grants and loans described under 20.505(7)(b). The administration of this program would remain in DOA - but the grants would be disbursed by WHEDA.

I believe this item would also require an amendment to Ch. 20 to recognize the WHEDA funds used under 20.505(7)(b) as PR.

I will be forwarding a hard copy of this request to you shortly but wanted to give you the heads up that these two items are on the way.

If you have any questions/concerns, feel free to contact me.

Thanks,
Cindy

Cynthia Dombrowski
Executive Policy and Budget Analyst
Department of Administration
Tel: (608)266-5878
Fax: (608)267-0372
cynthia.dombrowski@doa.state.wi.us

4528

**Governor's Initiative
Budget Adjustment Bill
Statutory Language Request**

Topic: Require WHEDA to allocate \$3,300,000 annually from its reserve to DOA to fund housing grants under 20.505(7)(b), Housing grants and loans.

Current Law

Under current law (s.16.33) DOA operates a housing grants and loans program to persons or families of low or moderate income to defray housing costs of the person or family. This program is currently funded with GPR.

Proposed Change

Delete GPR funding and replace it with funds from the WHEDA surplus. Add a paragraph under 234.165 (2) that would trigger the \$1,500,000 FY02 and \$3,300,000 FY03 allocation. Also, the Chapter 20 schedule should be amended to recognize WHEDA's funds as program revenue by creating a new PR-S appropriation under 20.505 - program 7.

DOA and WHEDA would enter into a Memorandum of Understanding which would specify that all funds would remain in WHEDA but would be disbursed directly to the grantee at the direction of DOA. As under current law, WHEDA would play no part in the grant administration.

Desired Effective Date: July 1, 2002
Agency: Department of Administration
Agency Number: 505
Agency Contact: Cynthia Dombrowski
Phone: 266-5878

1-7

per C. Dombrowski

don't repeal 20.505(7)(b) but
decrease by amounts transferred
to new PR appropriation

have WtEDA transfer \$ to DOT and
DOT pay out the grant &
loans as usual



State of Wisconsin
2001 - 2002 LEGISLATURE

LRB-45287

PJK:hnh

DOA:.....Dombrowski – Use WHEDA reserve funding for DOA housing grants and loans

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

SOON
(1-0)
D-note

do not
get cut

1 AN ACT *relating to:* funding for housing grants and loans and making an
2 appropriation.

Analysis by the Legislative Reference Bureau

✓ STATE GOVERNMENT

✓ OTHER STATE GOVERNMENT

and Under current law, DOA provides grants and loans to persons *and* families of low moderate incomes to defray housing costs. DOA also makes grants to community-based organizations and other housing organizations to pay operating costs and salaries and other personnel expenses so that the organizations are better able to provide housing opportunities and other housing-related services to persons *and* families of low moderate incomes. The grants and loans are paid with general purpose revenue. This bill changes the source of funding for these grants and loans. Under the bill, WHEDA is required to transfer to DOA for the grants and loans the same amount that was appropriated to DOA from general purpose revenue for the grants and loans. WHEDA transfers the amounts from its authority surplus fund, which is made up of WHEDA's assets that are not required for paying the cost of bond and note issuance, for economic development loans or housing projects receiving proceeds from WHEDA's bond and note issues, or for honoring agreements with bondholders and noteholders.

Keep as typed

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

5-2 down

1 SECTION 1. 16.33 (1) (a) of the statutes is amended to read:

2 16.33 (1) (a) Subject to sub. (2), make grants or loans, directly or through agents
3 designated under s. 16.334, from the ~~appropriation~~ appropriations under s. 20.505
4 (7) (b) and (j) to persons or families of low or moderate income to defray housing costs
5 of the person or family.

History: 1989 a. 31; 1991 a. 39.

6 SECTION 2. 20.505 (7) (b) (title) of the statutes is amended to read:

7 20.505 (7) (b) (title) *Housing grants and loans; general purpose revenue.*

History: 1971 c. 108, 125, 215; 1971 c. 270 s. 104; 1973 c. 90 and supp., 157, 305; 1975 c. 39 ss. 179 to 184f, 735 (5); 1975 Ex. Order No. 24; 1975 c. 224, 397; 1977 c. 29; 1977 c. 196 ss. 70, 131; 1977 c. 377 s. 30; 1977 c. 418 s. 929 (1), (55); 1979 c. 32 s. 92 (5); 1979 c. 34, 175, 221; 1979 c. 355 s. 241; 1979 c. 361; 1981 c. 20 ss. 400b to 421, 2202 (57) (b); 1981 c. 44 s. 3; 1981 c. 62, 121; 1981 c. 202 s. 23; 1981 c. 314, 374, 391; 1983 a. 27 ss. 439 to 456, 2202 (1); 1983 a. 36, 187, 282, 371, 393; 1985 a. 29, 31, 57, 120, 296, 297, 332; 1987 a. 27 ss. 296n, 296q, 297b, 297d, 299a to 299r, 300a, 301a, 418 to 432; 1987 a. 142, 147, 342, 399; 1989 a. 31, 56, 107, 122, 336, 339, 345, 366; 1991 a. 39 s. 469, 593q to 614; 1991 a. 105, 269, 315; 1993 a. 16 ss. 470g, 470m, 470r, 488 to 506m; 1993 a. 33, 75, 193, 349, 358, 374, 414, 437, 477, 491; 1995 a. 27, 56, 201, 216, 225, 227, 370, 403; 1997 a. 3; 1997 a. 27 ss. 199, 227 to 229m, 233, 666g to 692; 1997 a. 237, 283; 1999 a. 5, 9, 24, 52, 105, 113, 148, 185; 2001 a. 16 ss. 684d, 685d, 800 to 905.

8 SECTION 3. 20.505 (7) (j) of the statutes is created to read:

9 20.505 (7) (j) *Housing grants and loans; surplus transfer.* Biennially, the
10 amounts in the schedule for grants and loans under s. 16.33 and for grants under s.
11 16.336. All moneys received from the Wisconsin Housing and Economic
12 Development Authority under s. 234.165 (3) shall be credited to this appropriation
13 account.

14 SECTION 4. 234.165 (2) (c) (intro.) of the statutes is amended to read:

15 234.165 (2) (c) (intro.) ~~Surplus~~ Except as provided in sub. (3), surplus may be
16 expended or encumbered only in accordance with the plan approved under par. (b),
17 except that the authority may transfer from one plan category to another:

History: 1981 c. 349; 1983 a. 83; 1985 a. 29 s. 3202 (14); 1989 a. 346; 1991 a. 39; 1993 a. 16.

18 SECTION 5. 234.165 (3) of the statutes is created to read:

2001

File With Statute **20.005 (3)** Schedule

LRB - 4528 / 1

\$\$\$ SCHEDULE

Insert 2-5

RJK : : :

In the component bar:

For the action phrase, execute: create → action: → ch20

For the table layout, execute: create → <Table> → \$sched

SECTION #. 20.005 (3) (schedule) of the statutes: at the appropriate place, insert the following amounts for the purposes indicated:

	(B)	2001-02	2002-03
20.505	Administration, department		

(B) of		
(7) Housing assistance		

(j) Housing grants and loans, surplus transfer		
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PR B	1,500,000	3,300,300
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20. _____

() _____

() _____

(end of ins 2-5)

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-4528/7dn
PJK: [initials]

Date

Cynthia:

I did not include the surplus transfers as part of the plan under s. 234.165 (2) (b), because it is too late for the transfers to be included in the plan for 2002 (I assumed that the plan for the use of the surplus in 2002 would have to have been submitted by August 31, 2001), and because I don't know if you want the transfers to be subject to approval by the standing committees and the joint committee on finance under s. 234.165 (2) (b) 3. to 6. Let me know if you want the transfers to be included in the plan. I could draft that to begin with the plan submitted in 2002 or 2003.

Pamela J. Kahler
Senior Legislative Attorney
Phone: (608) 266-2682
E-mail: pam.kahler@legis.state.wi.us

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-4528/P1dn
PJK:hmb:jf

January 9, 2002

Cynthia:

I did not include the surplus transfers as part of the plan under s. 234.165 (2) (b), because it is too late for the transfers to be included in the plan for 2002 (I assumed that the plan for the use of the surplus in 2002 would have to have been submitted by August 31, 2001), and because I don't know if you want the transfers to be subject to approval by the standing committees and the joint committee on finance under s. 234.165 (2) (b) 3. to 6. Let me know if you want the transfers to be included in the plan. I could draft that to begin with the plan submitted in 2002 or 2003.

Pamela J. Kahler
Senior Legislative Attorney
Phone: (608) 266-2682
E-mail: pam.kahler@legis.state.wi.us



State of Wisconsin
2001 - 2002 LEGISLATURE

LRB-4528/P1
PJK:hmh:jf

DOA:.....Dombrowski – Use WHEDA reserve funding for DOA housing grants and loans.

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

1 AN ACT ...; relating to: funding for housing grants and loans and making an
2 appropriation.

Analysis by the Legislative Reference Bureau

STATE GOVERNMENT

OTHER STATE GOVERNMENT

Under current law, DOA provides grants and loans to persons and families of low and moderate incomes to defray housing costs. DOA also makes grants to community-based organizations and other housing organizations to pay operating costs and salaries and other personnel expenses so that the organizations are better able to provide housing opportunities and other housing-related services to persons or families of low or moderate incomes. The grants and loans are paid with general purpose revenue. This bill changes the source of funding for these grants and loans. Under the bill, WHEDA is required to transfer to DOA for the grants and loans the same amount that was appropriated to DOA from general purpose revenue for the grants and loans. WHEDA transfers the amounts from its authority surplus fund, which is made up of WHEDA's assets that are not required for paying the cost of bond and note issuance, for economic development loans or housing projects receiving proceeds from WHEDA's bond and note issues, or for honoring agreements with bondholders and noteholders.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 16.33 (1) (a) of the statutes is amended to read:

16.33 (1) (a) Subject to sub. (2), make grants or loans, directly or through agents designated under s. 16.334, from the ~~appropriation~~ appropriations under s. 20.505 (7) (b) and (j) to persons or families of low or moderate income to defray housing costs of the person or family.

SECTION 2. 20.005 (3) (schedule) of the statutes: at the appropriate place, insert the following amounts for the purposes indicated:

			2001-02	2002-03	
20.505	Administration, department of				
(7)	HOUSING ASSISTANCE				
(j)	Housing grants and loans; sur-				
	plus transfer	PR	B	1,500,000	3,300,300

SECTION 3. 20.505 (7) (b) (title) of the statutes is amended to read:

20.505 (7) (b) (title) *Housing grants and loans; general purpose revenue.*

SECTION 4. 20.505 (7) (j) of the statutes is created to read:

20.505 (7) (j) *Housing grants and loans; surplus transfer.* Biennially, the amounts in the schedule for grants and loans under s. 16.33 and for grants under s. 16.336. All moneys received from the Wisconsin Housing and Economic Development Authority under s. 234.165 (3) shall be credited to this appropriation account.

1 **SECTION 5.** 234.165 (2) (c) (intro.) of the statutes is amended to read:

2 234.165 (2) (c) (intro.) ~~Surplus~~ Except as provided in sub. (3), surplus may be
3 expended or encumbered only in accordance with the plan approved under par. (b),
4 except that the authority may transfer from one plan category to another:

5 **SECTION 6.** 234.165 (3) of the statutes is created to read:

6 234.165 (3) For the purpose of housing grants and loans under s. 16.33 and
7 housing organization grants under s. 16.336, in fiscal year 2001-02 the authority
8 shall transfer to the department of administration \$1,500,000 of its surplus and in
9 fiscal year 2002-03 and every fiscal year thereafter the authority shall transfer to
10 the department of administration \$3,300,300 of its surplus. The department of
11 administration shall credit all moneys transferred under this subsection to the
12 appropriation account under s. 20.505 (7) (j).

13 **SECTION 9201. Appropriation changes; administration.**

14 (1) HOUSING GRANTS AND LOANS. In the schedule under section 20.005 (3) of the
15 statutes for the appropriation to the department of administration under section
16 20.505 (7) (b) of the statutes, as affected by the acts of 2001, the dollar amount is
17 decreased by \$1,500,000 for fiscal year 2001-02 and the dollar amount is decreased
18 by \$3,300,300 for fiscal year 2002-03 to decrease funding for the purposes for which
19 the appropriation is made.

20

(END)