

Fiscal Estimate - 2015 Session

- Original Updated Corrected Supplemental

LRB Number 15-1815/1	Introduction Number SB-124
Description Grants to certain small businesses that receive federal grants	
Fiscal Effect State: <input checked="" type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <div style="display: flex; justify-content: space-between;"><div style="width: 30%;"><input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations</div><div style="width: 30%;"><input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues</div><div style="width: 30%;"><input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <div style="display: flex; justify-content: space-around;"><input type="checkbox"/> Yes <input type="checkbox"/> No</div><input type="checkbox"/> Decrease Costs</div></div> Local: <input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate <div style="display: flex; justify-content: space-between;"><div style="width: 30%;"><p>1. <input type="checkbox"/> Increase Costs <div style="display: flex;"><input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory</div></p><p>2. <input type="checkbox"/> Decrease Costs <div style="display: flex;"><input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory</div></p></div><div style="width: 30%;"><p>3. <input type="checkbox"/> Increase Revenue <div style="display: flex;"><input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory</div></p><p>4. <input type="checkbox"/> Decrease Revenue <div style="display: flex;"><input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory</div></p></div><div style="width: 30%;"><p>5. Types of Local Government Units Affected</p><div style="display: flex; flex-wrap: wrap;"><div style="width: 33%;"><input type="checkbox"/> Towns</div><div style="width: 33%;"><input type="checkbox"/> Village</div><div style="width: 33%;"><input type="checkbox"/> Cities</div><div style="width: 33%;"><input type="checkbox"/> Counties</div><div style="width: 33%;"><input type="checkbox"/> Others</div><div style="width: 33%;"><input type="checkbox"/> School Districts</div><div style="width: 33%;"><input type="checkbox"/> WTCS Districts</div></div></div></div>	

Fiscal Estimate Narratives

WEDC 4/22/2015

LRB Number	15-1815/1	Introduction Number	SB-124	Estimate Type	Original
Description Grants to certain small businesses that receive federal grants					

Assumptions Used in Arriving at Fiscal Estimate

SB-124 directs the Wisconsin Economic Development Corporation (WEDC) to establish a grant program under which WEDC awards state matching grants to recipients of grants under Phase I and Phase II of the federal Small Business Innovation Research Program (SBIR) or the federal Small Business Technology Transfer Program (STTR).

Under SB-124, WEDC may not award grants totaling more than \$300,000 per state fiscal year, and individual grants to the lesser of \$50,000 or the amount of the Phase I or Phase II federal grant.

This estimate assumes no changes to the federal SBIR or STTR programs.

Long-Range Fiscal Implications

WEDC already has the authority to implement grant and loan programs, with approval from its board, including staffing the functional areas of promotion to business, underwriting, compliance and finance. Currently, WEDC manages the SBIR/STTR Matching Grant program, which provides funds to technology-based businesses in Wisconsin. WEDC sub-grants to the Center for Technology Commercialization, which administers the program.

Under the existing SBIR/STTR program, a business can apply for a grant through an annual competition that matches up to 50% of the amount of federal Phase I and/or Phase II awards. For FY2015, WEDC has made at least \$1,000,000 in program funding available. The current program is expected to provide assistance to at least ten businesses and result in ten new jobs created.

The proposed bill does not provide new allocation, and as WEDC is largely funded from GPR to cover both operations and business incentives, adding additional programmatic or staffing requirements to the organization will reduce resources available for other programs. Under the current proposal, WEDC would be able to absorb the costs of the additional statutory program as described, however this assumes that other bills requiring WEDC to absorb new program costs do not pass.