

Fiscal Estimate - 2019 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 19-5378/1	Introduction Number AB-0835
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Description
 creating a legislative office of inspector general and making an appropriation

Fiscal Effect

State:

No State Fiscal Effect
 Indeterminate

<input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations	<input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues	<input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Decrease Costs
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Local:

No Local Government Costs
 Indeterminate

1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	5. Types of Local Government Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
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Fund Sources Affected	Affected Ch. 20 Appropriations
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	

Agency/Prepared By WHEDA/ Sherry Gerondale (608) 267-1076	Authorized Signature Maureen Brunner (608) 266-7354	Date 2/14/2020
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Fiscal Estimate Narratives

WHEDA 2/14/2020

LRB Number	19-5378/1	Introduction Number	AB-0835	Estimate Type	Original
Description creating a legislative office of inspector general and making an appropriation					

Assumptions Used in Arriving at Fiscal Estimate

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This proposal creates the Legislative Office of Inspector General, a nonpartisan legislative service agency, consisting of 14 inspectors general and their staff. Inspectors general and their staff are assigned to and housed at the headquarters of certain state agencies, including the Wisconsin Housing and Economic Development Authority (WHEDA). The inspector general assigned to WHEDA shall also be assigned to the Wisconsin Economic Development Corp. (WEDC). Each state agency shall pay for all services provided by the inspectors general and shall credit the payments to an appropriation account.

WHEDA has identified the following provisions that would have a fiscal impact upon the organization:

- 13.97 (2) (c): Costs for office space and all services provided by the lead inspector general and staff
- 13.97 (3) (a): Costs for providing a tool or system to access, at all times, to any books, records or other documents maintained by the agency relating to its expenditures, revenues, operations and structure
- 13.97 (3) (b) (4): Costs for publishing and submitting an annual report of inspector general activities to the chief clerk of each house of the legislature

WHEDA assumes the organization will be responsible for paying a proportionate amount of the additional costs associated with the inspectors general and other administrative staff in the Office of Inspector General. These costs are indeterminate.

WHEDA assumes there is sufficient office space in the WHEDA headquarters office to house the inspector general and her or his staff. WHEDA assumes there will be minimal costs that can be absorbed by the organization associated with providing an inspector general and associated staff with office space and building services.

WHEDA assumes there will be increased costs for the authority to provide the inspector general and associated staff a tool or system to access, at all times, to any books, records or other documents maintained by the agency relating to its expenditures, revenues, operations and structure. This may involve the purchase of additional user licenses or pay increased fees per additional user. These costs are indeterminate.

Given the specialized, technical programs and lending products administered by WHEDA, the authority believes it may be necessary for the inspect general to hire outside consultants or auditors to perform his or her statutory function. The costs of hiring such outside experts is indeterminate.

WHEDA assumes there will be minimal costs that can be absorbed by the organization associated with publishing and submitting an annual report of inspector general activities to the chief clerk of each house of the legislature.

This bill requires WHEDA to draw from existing resources to cover these costs. As WHEDA receives no direct funding from the state budget, and therefore has no appropriations account against which to credit such cost, such costs to WHEDA would be funded from its net operating income, reducing the Dividends for Wisconsin Plan, which in turn directly reduces resources that would otherwise be available to further WHEDA's mission.

Long-Range Fiscal Implications