

Fiscal Estimate - 2021 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 21-4705/1	Introduction Number AB-0605
Description municipal workforce housing incentive program	
Fiscal Effect	
State: <input checked="" type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs	
Local: <input type="checkbox"/> No Local Government Costs <input checked="" type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs 3. <input type="checkbox"/> Increase Revenue 5. Types of Local Government Units Affected <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities 2. <input type="checkbox"/> Decrease Costs 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts	
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	
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Date 10/18/2021	

Fiscal Estimate Narratives

DOR 10/18/2021

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Description municipal workforce housing incentive program					

Assumptions Used in Arriving at Fiscal Estimate

Under the bill, to the extent permitted by federal law, a political subdivision, defined as city, village, town, or county, is required to use a certain portion of American Rescue Plan of 2021 (ARPA) toward workforce housing projects. The bill requires a political subdivision use at least \$1,000,000 or at least 10 percent of the total stimulus moneys, whichever is less, for one or more the following projects: 1) new workforce housing infrastructure, including streets, sewer, water, and sidewalks; 2) establishing a low interest or no interest loan program for remodeling and repair expenses related to the rehabilitation of older workforce housing; 3) establishing a low interest or no interest loan program for the building of new workforce housing units; or 4) redeveloping idles sites currently used for a shopping center, shopping mall, or other commercial property of at least 40,000 square feet to workforce housing.

ARPA allocated approximately \$2,322.82 million to Wisconsin political subdivisions under the Local Fiscal Recovery Fund. The breakdown is \$1,130.90 million for counties, \$780.30 million for metropolitan cities, and \$411.60 million for non-entitlement units. Under the bill, towns, villages, and cites would be required to spend, to the extent permitted by federal law, an estimated \$60.15 million, while counties would be required to spend \$49.18 million.

The department does not have data on planned project costs by category.

Since the bill does not require the department to verify compliance, the department has no administrative costs.

Long-Range Fiscal Implications