

Fiscal Estimate Narratives

DATCP 3/12/2012

LRB Number	11-4138/1	Introduction Number	SB-511	Estimate Type	Original
Description Allocation of national mortgage foreclosure settlement proceeds and making appropriations					

Assumptions Used in Arriving at Fiscal Estimate

This bill appropriates \$25.6 million in proceeds from a national mortgage foreclosure settlement to state agencies. Of that amount, the Department of Agriculture, Trade, and Consumer Protection is directed to provide a \$1.6 million grant to the Tenant Resource Center (TRC) in Madison. The funding would be used to enable TRC to expand its operations statewide; establish physical office locations in the five counties that have the highest foreclosure rates per capita; and provide services related to foreclosure prevention and tenant mediation.

Under the bill, the department is given the authority to approve TRC's plan to use the grant proceeds. The department would enter into a written agreement with TRC that specifies conditions for how the grant proceeds would be used and includes reporting and auditing requirements. TRC would be required to submit to the department, within six months after spending the full amount of the grant proceeds, a report detailing how the proceeds were used.

The department expects that passage of this bill will increase its administrative workload; however, it anticipates that any associated costs can be absorbed. Additional staff time will be spent preparing the written agreement, reviewing the TRC's plan, and reviewing reports submitted to the department.

Long-Range Fiscal Implications