## Fiscal Estimate - 2011 Session

×	Original		Updated		Corrected		Supplemental				
LRB	Number	11-4138/1		Introd	duction Nur	nber S	B-511				
Description Allocation of national mortgage foreclosure settlement proceeds and making appropriations											
Fiscal	Effect		-								
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Fund Sources Affected Affected Ch. 20 Appropriations											
GF	PR   FED	⊠ PRO [	PRS SEG	SE	EGS 20.144(1)(	b) and 20.1	44(1)(g)				
Agenc	y/Prepared E	3у	Auth	orized S	Signature		Date				
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## Fiscal Estimate Narratives DFI 3/1/2012

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 provides a biennial appropriation from the national mortgage foreclosure settlement for the Department of Financial Institutions to make \$10,000,000 in grants to assist nonprofit organizations and governmental bodies for the purpose of foreclosure mediation and foreclosure prevention.

The Department does not currently have a grant program in place and would need to develop a process to develop standards for applicant eligibility, establish grant structure and award criteria, notify potential applicants, review responses, select grant recipients, make and account for the awards, establish reporting criteria, monitor grant outcome and effectiveness, and ensure compliance with grant requirements.

It is estimated that to establish and administer the program will take 1.5 FTE project positions for three years. Assuming 1.0 Advanced Grant Specialist at an annual salary of \$60,000 and 0.5 FTE Grant Specialist at an annual salary of \$25,000, and total related fringe benefits of \$32,000, annual estimated costs for salary and fringe benefits is \$117,000 each year for three years. Supplies and services costs associated with this program are an estimated \$8,000 annually for equipment, mailing costs, telecommunications, travel, IT costs, and general supplies and services. Total annual administrative costs for this program are an estimated \$125,000 each year for three years.

The grant appropriation in the bill does not provide for administrative costs. These would need to come from general program operations. The position would need to continue beyond the end of the biennial grant awarding period in order to monitor the awards to ensure grants are used as intended.

Long-Range Fiscal Implications