

Fiscal Estimate - 2021 Session

☒ Original
 ☐ Updated
 ☐ Corrected
 ☐ Supplemental

LRB Number 21-2142/1	Introduction Number AB-0146	
Description grants to homeless individuals and families, grants to defray housing costs and for diversion programming, housing navigator grants, homeless case management services, and making an appropriation		
Fiscal Effect State: <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input checked="" type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input checked="" type="checkbox"/> Create New Appropriations </div> <div style="width: 33%;"> <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues </div> <div style="width: 33%;"> <input checked="" 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 checked="" type="checkbox"/> No </div> <input type="checkbox"/> Decrease Costs </div> </div> Local: <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate <div style="display: flex;"> <div style="width: 50%;"> 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 </div> <div style="width: 50%;"> 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 </div> </div> </div> <div style="width: 33%;"> 5. Types of Local Government Units Affected <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> Towns <input type="checkbox"/> Counties <input type="checkbox"/> School Districts </div> <div style="width: 33%;"> <input type="checkbox"/> Village <input type="checkbox"/> Others <input type="checkbox"/> WTCS Districts </div> <div style="width: 33%;"> <input type="checkbox"/> Cities </div> </div> </div> </div>		
<div style="display: flex; justify-content: space-between;"> <div> Fund Sources Affected <input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input checked="" type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS </div> <div> Affected Ch. 20 Appropriations 20.505 (7) (a); 20.505 (7) (b); 20.505 (7) (kg); 20.505 (7) (fm); 20.505 (7) (fn) </div> </div>		
Agency/Prepared By DOA/ Robert Albrecht (608) 264-6343	Authorized Signature Robin Malicki (608) 264-9576	Date 4/9/2021

Fiscal Estimate Narratives

DOA 4/9/2021

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Description grants to homeless individuals and families, grants to defray housing costs and for diversion programming, housing navigator grants, homeless case management services, and making an appropriation					

Assumptions Used in Arriving at Fiscal Estimate

Assembly Bill 146 is related to various programs aimed at preventing homelessness in the State of Wisconsin. It includes both increases and amendments to existing programs and the creation of new grants and programs. The programs described in the proposed legislation are and would be administered by the Department of Administration's, or Department's, Division of Energy, Housing and Community Resources (DEHCR).

The proposed legislation would increase the appropriation for the existing Housing Assistance Program (HAP), which provides housing and associated supportive services to homeless individuals and families to facilitate their movement to independent living, by \$900,000 GPR annually under s. 20.505 (7) (fm), Wis. Stats., Shelter for homeless and housing grants (appropriation numeric 70700), in the 21-23 Biennium. This would increase the total annual appropriation for the program to \$1,200,000 GPR. It would also add federally recognized American Indian tribes or bands as an eligible applicant as indicated in subsection (f) under s. 16.306 (1), Wis. Stats.

The proposed legislation would increase the appropriation for the existing Homelessness Prevention Program (HPP), which provides for grants or loans to persons or families of low or moderate income to defray housing costs, by \$500,000 GPR annually under s. 20.505 (7) (b), Wis. Stats., Housing grants and loans (appropriation numeric 70300), in the 21-23 Biennium. This would increase the annual appropriation of the program to \$2,015,000 GPR.

The proposed legislation would create a grant program to assist persons or families of low or moderate income in obtaining and participating in diversion programming. It also defines diversion programming and renumbers various items under s. 16.303, Wis. Stats., to accommodate the new program under this section, which it shares with HPP. \$300,000 GPR is appropriated annually under s. 20.505 (7) (b) in the 21-23 Biennium for this program.

The proposed legislation would also create a grant program which provides equal grants to each Continuum of Care organization in the state for the purpose of hiring housing navigators. A new continuing appropriation under s. 20.505 (7) (fn), Wis. Stats., Funding for housing navigators, would be created from which to fund the program, with an annual appropriation of \$300,000 GPR in the 21-23 Biennium. The Department is also tasked with ensuring that grant funds are "expended to fill housing navigator positions that are reasonably balanced among the geographic areas served by each Continuum of Care organization."

The proposed legislation would increase the appropriation for the existing Homeless Case Management Services Grant program (HCMS), which grants moneys to shelter facilities for the purpose of providing intensive case management prescribed services to homeless families, by \$500,000 PR annually under s. 20.505 (7) (kg), Wis. Stats., Housing program services (appropriation numeric 72700), in the 21-23 Biennium. This program is funded via a statutory transfer from the Temporary Assistance for Needy Families (TANF) program (see s. 49.175 (f), Wis. Stats., which is also amended in the proposed legislation to reflect the new amount). This would increase the total annual appropriation of the program to \$1,000,000 PR. In addition, the proposed legislation would eliminate the cap of ten total annual awards and would increase the maximum award from \$50,000 to \$75,000.

The Department anticipates a one-time increase to staff workload and supplies and services costs associated with the expansion of existing programs, the creation of new programs, and the regulatory changes to HAP and HCMS. The staff time and supplies are required to: create internet and printed materials and to update existing materials where applicable; develop and execute monitoring forms and contract documents; and meet with stakeholder groups to support administrative rule-making. The one-time staff workload and supplies costs are estimated to be absorbed within current staffing levels and expenditure authority.

With the large increases to HAP, HPP, and HCMS, and the creation of two new programs, the Department

anticipates an ongoing increased workload for DEHCR for program administration, monitoring, contracting, reporting, and technical assistance. For example, DEHCR funds approximately eleven (11) HAP projects per year. With the magnitude of funding proposed for HAP in the proposed legislation, which would quadruple the current appropriation, DEHCR expects the number of funded projects to increase proportionately. The Department also anticipates that with the increased aids allocation for the various programs and the elimination of the limit of the grant to ten per year for HCMS, the number of grantees for these programs will significantly increase. This ongoing workload, such as for the increase of funded HAP projects and program expansions, would require activities such as: the development of contractual, outreach and publicity materials; the provision of training and technical assistance; and award development.

The Department is anticipated to be unable to absorb the supplies and services and increased workload associated with the administration of the expanded and new programs. As such, the Department anticipates the need for new positions and associated salary and fringe and variable personnel supplies and services. The Department anticipates it would require an estimated 1.0 additional GPR FTE and associated supplies and services expenses under s. 20.505 (7) (a), Wis. Stats., General program operations (appropriation numeric 70100), and under s. 20.505 (7) (kg), 1.0 PR TANF-funded FTE to implement the expanded programming to be administered by DEHCR. Both positions would be classified as Grants Specialist – Adv. One-time costs associated with 2.0 additional FTE (laptop, chair, other standard office supplies) are estimated at \$6,000 per FTE and are absorbable under current appropriation authority.

An increase in financial support would also be required from the Department's Division of Enterprise Operations (DEO). DEO finance management personnel resources would be required for: assisting in meeting reporting requirements, managing expenditures, performing draws, monitoring audits, and the handling of any lock-box information. The Department anticipates it would be able to absorb the workload within current staffing levels and expenditure authority.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2021 Session

Detailed Estimate of Annual Fiscal Effect

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Description grants to homeless individuals and families, grants to defray housing costs and for diversion programming, housing navigator grants, homeless case management services, and making an appropriation	
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):	
II. Annualized Costs:	Annualized Fiscal Impact on funds from:
	Increased Costs Decreased Costs
A. State Costs by Category	
State Operations - Salaries and Fringes	\$134,800
(FTE Position Changes)	(2.0 FTE)
State Operations - Other Costs	20,000
Local Assistance	
Aids to Individuals or Organizations	2,500,000
TOTAL State Costs by Category	\$2,654,800
B. State Costs by Source of Funds	
GPR	2,077,400
FED	
PRO/PRS (TANF)	577,400
SEG/SEG-S	
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)	
	Increased Rev Decreased Rev
GPR Taxes	\$
GPR Earned	
FED	
PRO/PRS	
SEG/SEG-S	
TOTAL State Revenues	\$
NET ANNUALIZED FISCAL IMPACT	
	State Local
NET CHANGE IN COSTS	\$2,654,800
NET CHANGE IN REVENUE	\$
Agency/Prepared By	Authorized Signature
DOA/ Robert Albrecht (608) 264-6343	Robin Malicki (608) 264-9576
	Date
	4/9/2021