

Fiscal Estimate - 2021 Session

Original
 Updated
 Corrected
 Supplemental

| | |
|------------------------------------|---|
| LRB Number 21-3801/2 | Introduction Number AB-0390 |
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Description
 grants for the Memorial Hospital of Lafayette County, emergency medical services, and the city of Reedsburg community center

Fiscal Effect

State:

| | | |
|--|---|--|
| <input type="checkbox"/> No State Fiscal Effect | <input type="checkbox"/> Increase Existing Revenues | <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| <input checked="" type="checkbox"/> Indeterminate | <input type="checkbox"/> Decrease Existing Revenues | |
| <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations | <input type="checkbox"/> Decrease Costs | |

Local:

| | | |
|--|---|--|
| <input type="checkbox"/> No Local Government Costs | 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 | |
| <input type="checkbox"/> Indeterminate | | |

| | |
|--|--|
| 1. <input type="checkbox"/> Increase Costs | 3. <input type="checkbox"/> Increase Revenue |
| <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory |
| 2. <input type="checkbox"/> Decrease Costs | 4. <input type="checkbox"/> Decrease Revenue |
| <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory |

| | |
|---|---------------------------------------|
| Fund Sources Affected | Affected Ch. 20 Appropriations |
| <input type="checkbox"/> GPR <input checked="" type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.505(1)(mb) | |

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| Agency/Prepared By DOA/ Robin Malicki (608) 264-9576 | Authorized Signature Colleen Holtan (608) 266-1359 | Date 6/22/2021 |
|--|--|--------------------------|

Fiscal Estimate Narratives

DOA 6/22/2021

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Assumptions Used in Arriving at Fiscal Estimate

Under Assembly Bill 390 (AB-390), the Governor is required to award funds accepted under the federal American Rescue Plan Act (ARPA) of 2021 for the following grants: \$4.0 million to the Memorial Hospital of Lafayette County for facility planning, expansion, and construction; \$5.5 million in 2021-22 and 2022-23 each for emergency medical services (EMS) under ss. 256.12(4) and (5), Wis. Stats.; and \$400,00 for improvements to the City of Reedsburg's community center.

The U.S. Department of the Treasury (Treasury) issued an Interim Final Rule (IFR) to implement the Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) program under ARPA. Under the IFR, eligible uses for CSLFRF funding include supporting public health expenditures; addressing negative economic impacts caused by the public health emergency; replacing lost public sector revenue; providing premium pay for essential workers; and investing in water, sewer and broadband infrastructure. The State Fiscal Recovery Fund (SFRF) allocation under ARPA is \$2,533,160,626.50 and will be received in two equal tranches; the Local Fiscal Recovery Fund (LFRF) allocation to Wisconsin counties and metropolitan cities, in aggregate, is \$1,130,939,548.00 and \$780,300,679.00, respectively; and the LFRF allocation to non-entitlement units of local government (NEUs) to be passed-through the State is \$411,577,691.00. State governments must request their SFRF allocation, and States also will be considered by Treasury to have requested the LFRF allocation for NEUs. States may not place additional conditions or requirements on LFRF distributions to NEUs, beyond those required by the ARPA and Treasury's implementing regulations and guidance.

The Department of Administration (Department) is responsible for the administration of the SFRF. As such, the Department would be responsible for; determining the eligibility and any restrictions of use of those funds for all aspects of the grant projects; if eligible, awarding the SFRF grant of \$4.0 million to Lafayette County, \$5.5 million each year under 2021-22 and 2022-23 to the Department of Health Services (DHS) for EMS, and \$400,000 to the City of Reedsburg; and for administering the grants to the local units of government and DHS. The Department anticipates that it would enter into a memorandum of understanding (MOU) with DHS which would prescribe the two-year EMS award and the use and terms of the award and its remittance.

The grant amount of \$15.4 million in sum would be deployed from the SFRF allocation as administered by the Department and would consequently not be available for granting or allocating under other purposes.

The Department anticipates one-time and ongoing staff efforts necessary for the granting and administration of the proposed funding allocations. Departmental staff efforts would be required for federal reporting for the grant projects, including for Treasury reporting, etc., for providing technical assistance to the grant recipients, and for the necessary reporting and auditing of the use of SFRF funds allocated by the Department to the local units of government and DHS. Departmental Staff time would be required to award the grant amounts to each entity and for coordination with each to receive spend and obligation reporting. Departmental staff time would also be required to draft the terms of the MOU to be entered into with DHS. The Department anticipates that the staff time necessary for SFRF grants administration would be able to be absorbed by existing staffing levels.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2021 Session

Detailed Estimate of Annual Fiscal Effect

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| I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): The ARPA grants awarded from the Department of Administration to Lafayette County of \$4.0 million, \$5.5 million each year under 2021-22 and 2022-23 to the Department of Health Services, and \$400,000 to the City of Reedsburg, are one-time amounts equal to \$15.4 million in total. | | |
| II. Annualized Costs: | Annualized Fiscal Impact on funds from: | |
| | Increased Costs | Decreased Costs |
| A. State Costs by Category | | |
| State Operations - Salaries and Fringes | \$ | \$ |
| (FTE Position Changes) | | |
| State Operations - Other Costs | | |
| Local Assistance | | |
| Aids to Individuals or Organizations | | |
| TOTAL State Costs by Category | \$ | \$ |
| B. State Costs by Source of Funds | | |
| GPR | | |
| FED | | |
| PRO/PRS | | |
| 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 | | |
| | <u>State</u> | <u>Local</u> |
| NET CHANGE IN COSTS | \$ | \$ |
| NET CHANGE IN REVENUE | \$ | \$ |
| Agency/Prepared By Authorized Signature Date | | |
| DOA/ Robin Malicki (608) 264-9576 | Colleen Holtan (608) 266-1359 | 6/22/2021 |