

Fiscal Estimate - 2021 Session

Original Updated Corrected Supplemental

LRB Number **21-2912/1** Introduction Number **AB-0422**

Description
rural creative economy grant program and making an appropriation

Fiscal Effect

State:

No State Fiscal Effect
 Indeterminate

Increase Existing Appropriations Increase Existing Revenues Increase Costs - May be possible to absorb within agency's budget
 Decrease Existing Appropriations Decrease Existing Revenues Yes No
 Create New Appropriations Decrease Costs

Local:

No Local Government Costs
 Indeterminate

1. Increase Costs 3. Increase Revenue
 Permissive Mandatory Permissive Mandatory

2. Decrease Costs 4. Decrease Revenue
 Permissive Mandatory Permissive Mandatory

5. Types of Local Government Units Affected
 Towns Village Cities
 Counties Others
 School Districts WTCS Districts

Fund Sources Affected **Affected Ch. 20 Appropriations**

GPR FED PRO PRS SEG SEGS s. 20.380 (3) (dm)

Agency/Prepared By	Authorized Signature	Date
TOUR/ Robin Malicki (608) 264-9576	Colleen Holtan (608) 266-1359	11/3/2021

Fiscal Estimate Narratives

TOUR 11/3/2021

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Assumptions Used in Arriving at Fiscal Estimate

2021 Assembly Bill 422 would create a new, continuing GPR appropriation under s. 20.380 (3) (dm), Wis. Stats., Rural creative economy grant program, for a competitive grant program to be administered by the Wisconsin Arts Board in the Department of Tourism. \$250,000 GPR would be appropriated annually for the grant program.

The program would be created under a newly created appropriation s. 41.567, Wis. Stats., which defines eligible applicants as businesses, municipal and county governments, business development organizations and other creative associations located in a city, town, or village with a population of less than 20,000 and not defined by the U.S. Census Bureau as an urbanized area. An individual grant may not exceed \$40,000 and must help to foster job and business creation, training and development, community engagement, or creative products or services. Recipients must have secured funding from nonstate sources in an amount equal to the proposed grant amount in order to be eligible.

In addition to the administration of the program, the Wisconsin Arts Board must produce a report on the effectiveness of the grant program to be submitted to the Joint Committee on Finance no later than May 1, 2023.

The Wisconsin Arts Board expects that the additional workload of administering the program is absorbable under current expenditure authority and staffing levels. Minimal one-time costs related to marketing the program, updating relevant materials, and developing program guidelines are also anticipated to be absorbable within current staffing levels and expenditure authority.

An increase in financial management support would also be required from the Department of Administration's Division of Enterprise Operations (DEO); the Department provides administrative and financial support to the Arts Board. Ongoing DEO personnel resources would be required, such as for: assisting the Arts Board in meeting reporting requirements, managing expenditures, monitoring audits, and the handling of any lock-box information. DEO 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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 Updated
 Corrected
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Description rural creative economy grant program 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	\$	\$
(FTE Position Changes)		
State Operations - Other Costs		
Local Assistance		
Aids to Individuals or Organizations	250,000	
TOTAL State Costs by Category	\$250,000	\$
B. State Costs by Source of Funds		
GPR	250,000	
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	\$250,000	\$
NET CHANGE IN REVENUE	\$	\$
Agency/Prepared By	Authorized Signature	Date
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