

### Fiscal Estimate - 2021 Session

Original     
  Updated     
  Corrected     
  Supplemental

|                             |                                    |
|-----------------------------|------------------------------------|
| LRB Number <b>21-4649/1</b> | Introduction Number <b>AB-0564</b> |
|-----------------------------|------------------------------------|

**Description**  
 reports concerning state agency expenditure of federal coronavirus relief funds and allocating federal American Rescue Plan Act of 2021 funding for grants to school districts, independent charter schools, and private schools for mental health programs

**Fiscal Effect**

**State:**

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

**Local:**

- |   |  |  |
|---|--|--|
| <input type="checkbox"/> No Local Government Costs<br><input checked="" type="checkbox"/> Indeterminate<br>1. <input type="checkbox"/> Increase Costs<br><input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory<br>2. <input type="checkbox"/> Decrease Costs<br><input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 3. <input type="checkbox"/> Increase Revenue<br><input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory<br>4. <input type="checkbox"/> Decrease Revenue<br><input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 5. Types of Local Government Units Affected<br><input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities<br><input type="checkbox"/> Counties <input type="checkbox"/> Others<br><input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts |
|---|--|--|

|   |                                       |
|---|---------------------------------------|
| <b>Fund Sources Affected</b>  | <b>Affected Ch. 20 Appropriations</b> |
| <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)                         |

|  |  |                          |
|--|--|--------------------------|
| <b>Agency/Prepared By</b><br>DOA/ Robin Malicki (608) 264-9576 | <b>Authorized Signature</b><br>Colleen Holtan (608) 266-1359 | <b>Date</b><br>9/23/2021 |
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## Fiscal Estimate Narratives

DOA 9/23/2021

|   |                  |                     |                |               |                 |
|---|------------------|---------------------|----------------|---------------|-----------------|
| LRB Number  | <b>21-4649/1</b> | Introduction Number | <b>AB-0564</b> | Estimate Type | <b>Original</b> |
| <b>Description</b><br>reports concerning state agency expenditure of federal coronavirus relief funds and allocating federal American Rescue Plan Act of 2021 funding for grants to school districts, independent charter schools, and private schools for mental health programs |                  |                     |                |               |                 |

### Assumptions Used in Arriving at Fiscal Estimate

Under Assembly Bill 564 (AB-564), any State agency that is to submit a status update, compliance or other report to the federal government concerning its expenditure of coronavirus relief funds would be required to submit a copy of the report to the Joint Committee on Finance (JFC) and to publish the report on its internet site.

AB-564 would also require that the Governor award funds accepted under section 602 of the federal Social Security Act (the Act) as amended by the federal American Rescue Plan Act of 2021, P.L. 117-2 (ARPA), in the amount of \$100,000,000 to the Department of Public Instruction (DPI) for grants to school districts, charter schools, and private schools, for mental health programs. Prior to awarding the funds, a report would be required to be submitted by the Governor and DPI to JFC of all coronavirus relief funds received by DPI, school districts, charter schools and private schools, including a description of how the funds were spent and the amounts that remain unspent. DPI would be required to publish a copy of the report to its internet site.

The Department of administration (Department) is responsible for the administration and reporting to the federal government of the State allocation of coronavirus relief funds, including: the State's Coronavirus State Fiscal Recovery Fund (CSFRF) under section 602 of the Act as amended by ARPA of 2021 from the U.S. Department of the Treasury (Treasury); the State's allocation of the Coronavirus Relief Fund (CRF) per the Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020 from Treasury; and the H.R. 133 Consolidated Appropriations Act (CAA) of 2021.

The Department would be responsible for submitting to JFC its reports to the federal government of State coronavirus relief fund expenditures as defined by the bill and for publishing the reports on its internet site. In addition, the Department would be responsible for determining the eligibility and any restrictions of use of funds for all aspects of DPI's grant allocation and for administering the grant to DPI. The Department anticipates that, if eligible, it would enter into a memorandum of understanding (MOU) with DPI which would prescribe the terms of the award and its remittance, which would include the JFC reporting requirements under the proposed.

The grant amount of \$100,000,000 in sum would be deployed from the State's ARPA funding 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 submitting a copy of its required coronavirus relief fund expenditure reports to JFC on a recurring basis as determined by each federal reporting requirement and for posting the reports on its internet site. Departmental staff efforts would also be necessary for granting and administration of the proposed funding allocation to DPI and reporting and auditing of the use of SFRF funds allocated to DPI. Departmental Staff time would be required to award the amounts to be granted by DPI once the criteria for allocation is met. Departmental staff time would also be required to draft the terms of the MOU to be entered into with DPI, and for monitoring obligation and spend information. The Department anticipates that the staff time necessary on the aforementioned would be able to be absorbed by existing staffing and expenditure levels.

The Department is not able to readily identify an impact to local units of government related to the Department's operations or services, over other agencies with more directly pertaining fiscal estimate submissions.

### Long-Range Fiscal Implications