

Fiscal Estimate Narratives

DOA 1/18/2022

LRB Number	21-3499/1	Introduction Number	AB-0742	Estimate Type	Original
Description					
construction and renovation of a veterans village					

Assumptions Used in Arriving at Fiscal Estimate

Under Assembly Bill 742 (AB-742), the Governor is required to award funds accepted under the federal American Rescue Plan Act (ARPA) of 2021 in the amount of \$1.5 million in FY2021-22 for Veterans Village Association, Inc., to assist in the construction and renovation of a veteran's village in Outagamie County to provide housing, assisted living and end-of-life care, health care, and community resources to veterans.

The U.S. Department of the Treasury (Treasury) issued the Final Rule (FR) to implement the Coronavirus State Fiscal Recovery Fund (CSFRF) under section 602 of the Act as amended by ARPA. Under the FR, eligible uses for CSFRF 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's Recovery Fund allocation under the program is \$2,533,160,626.50 from which the State has and will expend and obligate against for grant programs and other eligible uses.

The Department is responsible for the administration of the State's CSFRF. As such, the Department would be responsible for determining the eligibility and any restrictions of use of those funds for the proposed veterans village; if eligible, the Department would be responsible for awarding and administering the ARPA grant funds to the Veterans Village Association, Inc., (Association), or sub-granting the funds to another state agency to do so. The Department or another state agency would enter into an agreement with the Association, which would prescribe the awards and the use and terms of the award and its remittance.

The grant amount of \$1.5 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 of the proposed funding allocation. Departmental staff efforts would be required for federal reporting for the project, including for Treasury reporting, etc., and for the necessary reporting and auditing of the use of SFRF funds allocated by the Department or sub-granted to another agency to the Association.

Departmental Staff time would also be required for grants administration, providing program eligibility framework, and awarding the grant amount to the Association, and for coordination to receive spend and obligation reporting. The Department anticipates that it would be able to absorb this grant oversight and administration workload.

Long-Range Fiscal Implications