

Fiscal Estimate - 2021 Session

Original Updated Corrected Supplemental

LRB Number 21-5308/1	Introduction Number AB-0777
Description grants to political subdivisions for additional policing and strategic planning to combat crime and grants for beat patrol and specialized officers	
Fiscal Effect	
State:	
<input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs	
Local:	
<input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs 3. <input type="checkbox"/> Increase Revenue 5. Types of Local Government Units Affected <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities 2. <input type="checkbox"/> Decrease Costs 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts	
Fund Sources Affected	
<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)	
Affected Ch. 20 Appropriations	
Agency/Prepared By	Authorized Signature
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	Date
	1/18/2022

Fiscal Estimate Narratives

DOA 1/18/2022

LRB Number	21-5308/1	Introduction Number	AB-0777	Estimate Type	Original
Description					
grants to political subdivisions for additional policing and strategic planning to combat crime and grants for beat patrol and specialized officers					

Assumptions Used in Arriving at Fiscal Estimate

Under Assembly Bill 777 (AB-777), the Department of Administration (Department) is required to award grants to administrative divisions for: 1) up to four years of costs associated with additional policing to address automobile theft and carjacking, and 2) up to two years of costs for strategic planning to combat crime. Both proposed grant programs require grant recipients to report expenditure details and results of expenditures and require that the funds provided not supplant funding available from other sources. The Governor is required to award funds accepted under the federal American Rescue Plan Act (ARPA) of 2021 in the amount of \$5.0 million for each grant program; prior to the awarding of grants using the allocated funding, the Department is required to submit plans to the Joint Committee on Finance (JFC) under each that report the occurrence of the distribution of funds throughout all geographic areas of Wisconsin.

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 two proposed grant programs; if eligible, the Department would be responsible for awarding and administering the ARPA grant funds to local administrative divisions for each program, 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 local administrative divisions, which would prescribe the awards and the use and terms of the award and its remittance.

The grant amount of \$10.0 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 allocations. Departmental staff efforts would be required for federal reporting for the grant projects, 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 divisions of local government.

Departmental Staff time would also be required for grants administration, providing program eligibility framework, and awarding the grant amounts under each program and for coordination with each grantee to receive spend and obligation reporting. If the Department would not sub-grant, it would be responsible for ensuring compliance with program eligibility criteria, monitoring and conducting compliance reviews for appropriate use of the awarded amounts, providing technical assistance to grant recipients, conducting reviews of the required reported expenditure detail information by geographic sub-units, validating that other fund sources were not available by each local division to supplant ARPA grant funds, developing geographic representation technical guidelines and review processes, and processing and managing grantee payments. The Department would also be responsible for drafting the plans for submission to JFC.

The Department does not anticipate that it would be able to absorb the grants administration workload required if not sub-granting to another agency, however is not currently able to determine the project staffing levels required to support the administration of the proposed grants.

Long-Range Fiscal Implications

