

Fiscal Estimate - 2023 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 23-4469/1 **Introduction Number** SB-0557

Description
 housing and homelessness; emergency rental assistance program; indigent civil legal services; workforce development; community action agencies; poverty reports; mental health; economic security; reimbursement for nonemergency medical transportation services; urban mass transit aid; lead exposure and abatement services; lead service line replacement; providing an exemption from emergency rule procedures; granting rule-making authority; 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 20.445(1)(fc); 20.445(1)(cr)

Agency/Prepared By	Authorized Signature	Date
DWD/ Andrew Evenson (608) 266-1756	Jennifer Sereno (608) 267-9692	11/12/2023

Fiscal Estimate Narratives

DWD 11/12/2023

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Assumptions Used in Arriving at Fiscal Estimate

This bill increases funding in GPR appropriation s. 20.445 (1)(cr) State supplement to employment opportunity demonstration projects by \$799,400. This legislation increases current funding levels from \$200,600 to \$1,000,000 in each fiscal year of the 2023-25 fiscal biennium.

The bill also requires the department to establish a pilot transitional jobs program that operates during the 2023-25 fiscal biennium and includes a provision to sunset funding on June 30, 2025. The bill creates s. 20.445 (1)(fc) as an annual GPR appropriation and provides \$500,000 each fiscal year of the 2023-25 biennium to fund the program. The bill limits program eligibility to individuals receiving housing vouchers or receiving services from state-funded homeless shelters. The legislation also requires DWD to offer job and employment services like services offered under Transform Milwaukee Jobs and Transitional Jobs programs (s. 49.163). Under the bill, DWD must establish eligibility criteria for individuals participating in the pilot program and may either administer the program itself, or contract with an entity to administer the pilot program that is also authorized to administer the programs under s. 49.163.

This bill creates s. 106.115 to describe that the Governor's Council on Workforce Investment's (CWI) required activities related to submitting the Wisconsin's WIOA State Plan include identification of employment, training, and educational services for three specific populations as defined in title 42 of the United States Code. These populations include: homeless individuals from ages 18 to 24; certain children placed in out-of-home care; and homeless adults.

This bill will increase costs to the department, but these costs can be absorbed within the agency's budget.

The department estimates no fiscal impact and no additional required activities related to the increase in funding provided under s. 20.445 (1)(cr) State supplement to employment opportunity demonstration projects.

Regarding the pilot transitional jobs program, this estimate assumes that the department would contract with the Department of Children and Families (DCF) to implement and administer the program as would be permitted under the bill. For the purposes of this fiscal estimate, the department assumes that it would contract with the Department of Children and Families (DCF) to implement and administer the pilot transitional jobs program. This partnership is permitted under the bill, and it is worth noting that DCF currently manages the Transform Milwaukee Jobs and Transitional Jobs programs. DWD would be able to absorb costs related to establishing eligibility criteria and contracting with DCF to implement and administer the pilot program.

Local fiscal effects resulting from the pilot program outcomes are indeterminate. Assuming the pilot program assists some number of homeless individuals to maintain unsupported local employment, there will likely be reduced local expenditures and increased local revenues by an amount dependent on individuals' length of time of workforce attachment, wage progression, and other factors that are unknown at this time.

Regarding the provision that adds CWI to the list of entities with which the department collaborates with in order to establish and administer federal funds under the Workforce Innovation and Opportunity Act (WIOA), this aligns with current department practice and is not estimated to have a fiscal effect.

The bill's provision that CWI include in the state's WIOA State Plan identification of employment, training, and educational services for three specific populations has no fiscal impact to the department because the information outlined in the bill was already included in Wisconsin's WIOA State Plan that was submitted on March 15, 2022 to the U.S. Department of Labor.

The following Fiscal Estimate Worksheet only includes the annualized cost increase associated with the \$799,400 GPR appropriated to s. 20.445 (1)(cr) and does not include an annualized cost estimate for the one-time funding provided in s. 20.445 (1)(fc) for the purpose of providing services to Wisconsin's homeless population through a transitional jobs pilot program.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2023 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 bill provides \$1,000,000 to establish a pilot transitional jobs program that operates during the 2023-25 fiscal biennium		
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	799,400	
TOTAL State Costs by Category	\$799,400	\$
B. State Costs by Source of Funds		
GPR	799,400	
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	\$799,400	\$
NET CHANGE IN REVENUE	\$	\$
Agency/Prepared By	Authorized Signature	Date
DWD/ Andrew Evenson (608) 266-1756	Jennifer Sereno (608) 267-9692	11/12/2023