

Fiscal Estimate - 2023 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 23-0497/1	Introduction Number SB-0576
Description a revolving workforce home loan program and making an appropriation	
Fiscal Effect	
State: <input type="checkbox"/> No State Fiscal Effect <input checked="" type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input 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 type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs	
Local: <input checked="" type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs 3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 5. Types of Local Government Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts	
Fund Sources Affected Affected Ch. 20 Appropriations <input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	
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Date 11/15/2023	

Fiscal Estimate Narratives

WHEDA 11/15/2023

LRB Number	23-0497/1	Introduction Number	SB-0576	Estimate Type	Original
Description a revolving workforce home loan program and making an appropriation					

Assumptions Used in Arriving at Fiscal Estimate

SB576 creates a new program administered by the Wisconsin Housing and Economic Development Authority (WHEDA) for the purpose of issuing loans to provide gap financing to supplement a conventional mortgage for the purchase of a single-family home in Wisconsin. The program would be a revolving loan fund and repayment of the loans would be used to fund additional loans. SB576 creates a new appropriation for WHEDA of \$100,000,000 to provide that gap financing.

The proposal establishes eligibility criteria for applicants, a cap for the loan amount, and repayment rules based on the eligible applicant's household income under this new program. The proposal requires that a local housing authority or community-based organization, or other qualified local organization, must certify a loan applicant to WHEDA.

WHEDA estimates needing three full time employees (FTEs) to develop and institute this program in the Single-Family department. Depending on demand and program usage, two additional FTES may be required at a later date for continued support of the program. The FTEs will process, underwrite, and service these loans. WHEDA estimates that technological costs for the initial program development could exceed \$70,000.

Long-Range Fiscal Implications

WHEDA cannot estimate the demand for this program but may require additional FTEs to administer the program in perpetuity.