



## Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873  
Email: [fiscal.bureau@legis.wisconsin.gov](mailto:fiscal.bureau@legis.wisconsin.gov) • Website: <http://legis.wisconsin.gov/lfb>

December 17, 2020

TO: Members  
Wisconsin Legislature

FROM: Bob Lang, Director

SUBJECT: Further Allocations of Coronavirus Relief Fund Monies Under the Federal CARES Act

On October 22, 2020, this office released a memorandum describing the Administration's allocation of monies received from the federal Coronavirus Relief Fund (CRF), titled "Coronavirus Relief Fund Monies Under the Federal CARES Act." Since that memorandum was distributed, the Administration has provided updated information on the intended uses of these funds, which is summarized in this memorandum.

Wisconsin received a total of \$2.0 billion in direct funds from the CRF. The CARES Act, and subsequent guidance received from the U.S. Department of Treasury, have delineated certain guidelines for the use of these funds. Money received from the CRF must be used for expenses incurred in response to the COVID-19 pandemic. These expenses must not have been accounted for in the most recently passed budget, and must have been incurred between March 1, 2020, and December 30, 2020. Money received from the CRF that is not used by December 30, 2020, must be returned to the Treasury.

Treasury considers a cost to have been incurred at the time that a service is performed or a good is delivered. In order to be an eligible use of funds received from the CRF, the performance or delivery of the service or good must occur between March 1, 2020, and December 30, 2020. Funds required to pay for the good or service in question do not necessarily need to be expended prior to December 30, 2020. However, Treasury does expect that payment must occur within 90 days of the cost being incurred.

In regards to the December 30, 2020 deadline for the use of the funds, Treasury has clarified that funds that have been either expended or obligated are not required to be returned to the Treasury. Treasury defines an "obligation" as "a commitment to pay a third party with CRF proceeds based on a contract, grant, loan, or other arrangement."

In a release dated December 15, 2020, the Administration reported that it expects to have

expended or obligated nearly the full amount of the state's CRF allocation by December 30, 2020. Approximately \$900,000 remains unallocated at this time. The table below summarizes the planned uses of the CRF allocation, as well as the reallocations from previously-reported initiatives.

### Uses of Federal CRF Money (\$ in millions)

<u>Use of Funds</u>	<u>Previously Reported Initiatives</u>	<u>New Initiatives and Reallocated Amounts</u>
<b>Economic Support</b>		
Broadband Expansion	\$6.2	\$5.4
Privately Owned Movie Theater Grants	10.0	10.0
Nonprofit Grant Program	0.0	10.0
Tourism Grants Program	12.0	11.9
Cultural Organization Grant Program	15.0	15.0
Music and Performance Venue Grants	15.0	16.5
Lodging Industry Grants	20.0	20.0
Low-Income Home Energy Assistance	16.0	26.0
Rental Assistance Program	35.0	32.0
Supplemental Child Care Grants	80.0	80.0
Agricultural Supports		
Food Insecurity Initiative	25.0	25.0
Farm Support Program	50.0	50.1
Grants to Small Businesses	128.0	242.3
Ethanol Industry Assistance	0.0	3.3
Wisconsin Eye	<u>0.1</u>	<u>0.1</u>
Subtotal	\$412.3	\$547.6
<b>Healthcare and Related Costs</b>		
Frontline Worker Hazard/Retention	\$0.0	\$19.0
Underserved Clinics and Tribal Health	0.0	20.0
Skilled Nursing Facility Incentive Program	0.0	30.0
Direct Payments to Hospitals	44.0	44.0
Long-Term Care Direct Payment Program	0.0	60.0
Contact Tracing	75.0	75.0
Assistance for Health Providers	110.0	100.0
Medical Equipment Acquisition		
Personal Protective Equipment	150.0	130.0
Ventilators	35.0	35.0
Testing Program	506.6	468.5
Reserve/Surge Operating Fund	162.0	82.0
Public Awareness Efforts	3.0	3.0
Isolation Facilities	1.2	1.2
Health Insurance Navigation	1.0	1.0
Certified Nursing Assistant Marketing	0.0	1.0
Other Healthcare	<u>4.6</u>	<u>6.5</u>
Subtotal	\$1,092.4	\$1,076.2
<b>Local Government and Education Support</b>		
Out-of-School Support Grants	\$10.0	\$6.6
Higher Education Funding	37.0	37.0
Local Government Aid Grants	190.0	190.0
Tribal Government Aid Grants	11.0	11.0
Agency Reimbursements	<u>120.0</u>	<u>130.0</u>
Subtotal	\$368.0	\$374.6
Total	\$1,872.7	\$1,998.4

In the October 22 memorandum, the amount included for Grants to Small Businesses individually identified funding allocated for Phase 1 (\$75.0 million) administered by the Wisconsin Economic Development Corporation (WEDC), Phase 2 (\$50 million), administered by the Department of Revenue, and an Innovation Contest (\$3.0 million), administered by WEDC. Similarly, the October 22 memorandum included funding for Testing Program efforts that individually identified funding allocated to a statewide testing program (\$391.0 million), support for the National Guard testing program (\$13.0 million), support for testing programs at institutes of higher education (\$40.7 million), funding for local public health departments (\$58.0 million), and other testing funding (\$3.9 million). For the purposes of this memorandum, these amounts are no longer individually identified, and are included in the broader category shown in the above table.

BL/ml