

Fiscal Estimate Narratives

WEDC 2/8/2018

LRB Number	17-5360/1	Introduction Number	SB-769	Estimate Type	Original
Description rural economic development programs administered by the Wisconsin Economic Development Corporation, grants to other authorities and state agencies for purposes of rural economic development, and making an appropriation					

Assumptions Used in Arriving at Fiscal Estimate

SB769 appropriates \$50,000,000 annually through 2038 to WEDC for the purpose of incentivizing economic development activities in rural counties. "Rural county" is defined in this bill as any county with a population density of less than 155 residents per square mile.

WEDC may use these funds in rural counties to augment its existing programming. In addition, subject to passive review by JFC, WEDC may create new programming, and also award grants to other authorities and state agencies for purposes of assisting economic development in rural counties.

While this bill appropriates \$50,000,000 per year, if WEDC does not commit all the funds in any given year, it must repay the uncommitted appropriated balance to the state. Given that WEDC must receive legislative approval of new initiatives, and as it is yet undetermined what match may be required for new initiatives, the actual amount that will be committed annually may be less than the amount appropriated.

WEDC will be able to absorb the cost of administering this initiative through the flexibility of its existing block grant funding.

Long-Range Fiscal Implications