

### Fiscal Estimate - 2019 Session

Original     
  Updated     
  Corrected     
  Supplemental

|                             |                                    |
|-----------------------------|------------------------------------|
| LRB Number <b>19-1316/1</b> | Introduction Number <b>AB-0120</b> |
|-----------------------------|------------------------------------|

**Description**  
 homelessness case management services and making an appropriation

**Fiscal Effect**

**State:**

|   |   |  |
|---|---|--|
| <input type="checkbox"/> No State Fiscal Effect           | <input type="checkbox"/> Increase Existing Revenues | <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget<br><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| <input type="checkbox"/> Indeterminate                    | <input type="checkbox"/> Decrease Existing Revenues |  |
| <input type="checkbox"/> Increase Existing Appropriations |   | <input type="checkbox"/> Decrease Costs  |
| <input type="checkbox"/> Decrease Existing Appropriations |   |  |
| <input type="checkbox"/> Create New Appropriations        |   |  |

**Local:**

|  |  |   |
|--|--|---|
| <input type="checkbox"/> No Local Government Costs                     |  | <b>5. Types of Local Government Units Affected</b><br><input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities<br><input type="checkbox"/> Counties <input type="checkbox"/> Others<br><input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts |
| <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 |   |

|   |                                       |
|---|---------------------------------------|
| <b>Fund Sources Affected</b>  | <b>Affected Ch. 20 Appropriations</b> |
| <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 20.437(2)(md) |                                       |

|   |   |                          |
|---|---|--------------------------|
| <b>Agency/Prepared By</b><br>DCF/ Sasha Bong (608) 422-6348 | <b>Authorized Signature</b><br>Kim Swissdorf (608) 422-6351 | <b>Date</b><br>4/12/2019 |
|---|---|--------------------------|

## Fiscal Estimate Narratives

DCF 4/12/2019

|   |           |                     |         |               |          |
|---|-----------|---------------------|---------|---------------|----------|
| LRB Number  | 19-1316/1 | Introduction Number | AB-0120 | Estimate Type | Original |
| <b>Description</b><br>homelessness case management services and making an appropriation |           |                     |         |               |          |

### Assumptions Used in Arriving at Fiscal Estimate

Under current law, \$500,000 in federal Temporary Assistance for Needy Families (TANF) funding is allocated for homeless case management services grants awarded by the Department of Administration to eligible shelter facilities. Up to 10 grants can be awarded annually, and individual grants are limited to \$50,000 each. Shelter facilities can use grant money for providing intensive case management services to homeless families, including financial management services, employment-related services, services to ensure continuation of school enrollment for children, and services related to enrollment of unemployed or under employed parents in the FoodShare Employment and Training Program (FSET) or the Wisconsin Works (W-2) program.

Assembly Bill 120 increases funding available for homeless case management services grants. The bill also eliminates the limit on the total number of grants that can be awarded each year and increases the per-grant limit from \$50,000 to \$75,000. In addition, the bill adds professional development of case managers, including travel needed to participate, as an eligible use of grant money. No more than 10 percent of the grant could be used for case manager professional development.

The fiscal impact of the bill is that an additional \$500,000 TANF could be spent annually on homeless case management services grants.

Relating to the addition of professional development as an eligible use of grant money, it should be noted that if funds are used for professional development costs that are not directly related to providing program services, the reimbursement of such costs counts as a TANF administrative expenditure, not a program expenditure. A Question and Answer document from the federal Administration for Children and Families dated May 2, 2013, states that "a State may treat costs for training of case managers or for other training directly associated with providing program services as program costs under its cost allocation plan...On the other hand, training of staff to perform administrative functions - such as eligibility determination, procurement, and payroll - would be considered administrative costs. Federal TANF regulations limit a state to spending no more than 15 percent of its annual block grant on administration (excluding information technology). The department does not anticipate this to be an immediate problem, but if the homeless case management services grant program continues to grow, the state's use of available administrative cap room could grow with it if professional development does not directly relate to program services.

### Long-Range Fiscal Implications

The increased TANF funding provided under the bill for homeless case management services grants would add to the TANF structural deficit by \$500,000.

## Fiscal Estimate Worksheet - 2019 Session

Detailed Estimate of Annual Fiscal Effect

Original     
  Updated     
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  Supplemental

|  |                  |  |                 |
|--|------------------|--|-----------------|
| <b>LRB Number</b> 19-1316/1  |                  | <b>Introduction Number</b> AB-0120             |                 |
| <b>Description</b><br>homelessness case management services and making an appropriation  |                  |  |                 |
| <b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>                                |                  |  |                 |
| <b>II. Annualized Costs:</b>   |                  | <b>Annualized Fiscal Impact on funds from:</b> |                 |
|  |                  | Increased Costs                                | Decreased Costs |
| <b>A. State Costs by Category</b>  |                  |  |                 |
| State Operations - Salaries and Fringes  |                  | \$   | \$              |
| (FTE Position Changes)   |                  |  |                 |
| State Operations - Other Costs   |                  |  |                 |
| Local Assistance   |                  |  |                 |
| Aids to Individuals or Organizations   | 500,000          |  |                 |
| <b>TOTAL State Costs by Category</b>   | <b>\$500,000</b> |  | <b>\$</b>       |
| <b>B. State Costs by Source of Funds</b>   |                  |  |                 |
| GPR  |                  |  |                 |
| FED  | 500,000          |  |                 |
| PRO/PRS  |                  |  |                 |
| SEG/SEG-S  |                  |  |                 |
| <b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b> |                  |  |                 |
|  |                  | Increased Rev                                  | Decreased Rev   |
| GPR Taxes  |                  | \$   | \$              |
| GPR Earned   |                  |  |                 |
| FED  |                  |  |                 |
| PRO/PRS  |                  |  |                 |
| SEG/SEG-S  |                  |  |                 |
| <b>TOTAL State Revenues</b>  |                  | <b>\$</b>                                      | <b>\$</b>       |
| <b>NET ANNUALIZED FISCAL IMPACT</b>  |                  |  |                 |
|  |                  | <u>State</u>                                   | <u>Local</u>    |
| NET CHANGE IN COSTS  |                  | \$500,000                                      | \$              |
| NET CHANGE IN REVENUE  |                  | \$   | \$              |
| <b>Agency/Prepared By</b>  |                  | <b>Authorized Signature</b>                    | <b>Date</b>     |
| DCF/ Sasha Bong (608) 422-6348   |                  | Kim Swissdorf (608) 422-6351                   | 4/12/2019       |