

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: May 11, 2021

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Report from the Director, Department of Health and Human Services, requesting retroactive authorization to execute a contract with the State of Wisconsin for \$12,666,258 in federal Emergency Rental Assistance (ERA) funding and to apply for and accept an additional \$8,410,244 in direct ERA 2 federal funding

FISCAL EFFECT:

- | | |
|-------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|
| <input type="checkbox"/> No Direct County Fiscal Impact | <input type="checkbox"/> Increase Capital Expenditures |
| <input type="checkbox"/> Existing Staff Time Required | <input type="checkbox"/> Decrease Capital Expenditures |
| <input checked="" type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below) | <input type="checkbox"/> Increase Capital Revenues |
| <input type="checkbox"/> Absorbed Within Agency's Budget | <input type="checkbox"/> Decrease Capital Revenues |
| <input checked="" type="checkbox"/> Not Absorbed Within Agency's Budget | |
| <input type="checkbox"/> Decrease Operating Expenditures | <input type="checkbox"/> Use of contingent funds |
| <input checked="" type="checkbox"/> Increase Operating Revenues | |
| <input type="checkbox"/> Decrease Operating Revenues | |

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	\$21,076,502	0
	Revenue	\$21,076,502	0
	Net Cost	\$0	0
Capital Improvement Budget	Expenditure		
	Revenue		
	Net Cost		

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated. ¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

A. DHHS is requesting authorization to execute a contract with the State of Wisconsin for the allocation of \$12,666,258 in federal Emergency Rental Assistance (ERA) funding as well as accept an additional \$8,410,244 in direct ERA 2 funding from the Department of the Treasury.

B. Total 2021 expenditures and revenues included in this request are \$21,076,502. Emergency Rental Assistance funding may be used for rent, rental arrears, utilities and home energy costs, and other expenses related to housing incurred due to the pandemic

C. There is no tax levy impact associated with approval of this request as expenses are fully covered by ERA revenues.

D. This fiscal note assumes all expenditures incurred and revenues reimbursed will occur in calendar year 2021. The State's ERA 1 funding is authorized until September 30, 2022 and the direct federal earmark of \$8.4 million from the Treasury Department is authorized until September 30, 2025. Therefore, depending upon participant demand, some of this funding may need to carry over into future budget years.

Department/Prepared By: Clare O'Brien, DHHS Budget & Policy Director

Authorized Signature *Shakita LaGrant-McClain*

Did DAS-Fiscal Staff Review? Yes No

Did CDPB Staff Review? Yes No Not Required

¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.