BRYAN STEIL 1ST DISTRICT, WISCONSIN COMMITTEE ON FINANCIAL SERVICES



Washington, DC 20515 July 29, 2020

House of Representatives

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The Honorable Tony Evers Governor, State of Wisconsin 115 East State Capitol Madison, Wisconsin 53707

Dear Governor Evers:

As you know, Congress is currently debating how best to target limited additional taxpayer resources to those who have been most adversely impacted by the coronavirus (COVID-19) pandemic.

State and local governments have requested additional federal support. I believe the magnitude and character of future assistance should be guided by an assessment of how previously provided funds have been spent and an accounting of remaining unobligated funds. With that in mind, I am writing to you today to seek greater clarity on Wisconsin's use of existing federal resources.

As you know, the CARES Act (P.L. 116-136), which was enacted with my support on March 27, 2020, established the Coronavirus Relief Fund (CRF) to provide \$150 billion to states and large municipalities, allocated based on population. While this program served as the main source of flexible funding to states and local governments, the federal government has provided states over \$765 billion in total through multiple relief packages. This includes \$260 billion in unemployment insurance funding and \$175 billion to support community hospitals and healthcare providers.

The CRF provided \$1,997,294,785.80 directly to the state of Wisconsin and another \$260,415,955.80 to the city of Milwaukee and Dane and Milwaukee counties. According to a memo published by the Legislative Fiscal Bureau¹ on June 18, 2020, your office has obligated \$1.72 billion of CRF funds, leaving \$280 million unobligated. This memo does not indicate the amount of funds spent or the amount of funds allocated but unspent.

A report by the Department of the Treasury Office of Inspector General (OIG)2 found that Wisconsin had spent only 3.8 percent (\$75,068,062.00) of the funds received directly through the CRF as of June 30, 2020.

As I work to evaluate unmet funding needs, I ask that you address the following:

¹ Legislative Fiscal Bureau, "Coronavirus Relief Fund Monies Under the Federal CARES Act," http://docs.legis.wisconsin.gov/misc/lfb/misc/121 coronavirus relief fund monies under the federal cares act 6 18 20.pdf

² Department of the Treasury - Office of Inspector General, "Interim Report of Costs Incurred by State and Local Recipients through June 30," https://home.treasurv.gov/system/files/136/Interim-Report-of-Costs-Incurred-by-State-and-Local-Recipients-through-lune-30.pdf

- Please explain why, according to the OIG report, only 3.8 percent (\$75,068,062.00) of the CRF funds allocated directly to the state have been *spent*. Also, have additional funds been *spent* since June 30, 2020?
- Since the publication of the June 18, 2020 Legislative Fiscal Bureau memo, has the state obligated the remaining \$280 million in CRF funds?
 - o If so, please provide a list of how these funds have been obligated.
- According to the Legislative Fiscal Bureau memo, Wisconsin has obligated \$190 million of the state's CRF allotment to "Local Government Aid Grants." Please provide a detailed accounting of the allocation provided to each community and the amount allocated but not yet disbursed to any community.

Thank you again for your efforts. Please do not hesitate to contact me if you would like to discuss this issue further. I look forward to your prompt response.

Sincerely,

Bryan Steil

Member of Congress