

Innovation Grants

Second Application Period – Opening October 1, 2026

Created under 2023 Wisconsin Act 12 and modified by 2025 Wisconsin Act 15 (sec. [79.038](#), Wis. Stats.), the Innovation Grant Program supports local governments and tribal nations that lower long-term service costs through intergovernmental cooperation and allowable transfers of services or duties. In Round 1, the Wisconsin Department of Revenue allocated \$72 million in funding over a five-year award period, and distributed nearly \$14.5 million in June 2026. With approximately \$228 million in funding still available, counties, municipalities, and tribal nations are encouraged to explore eligible collaborative transfers ahead of the upcoming application period.

When to apply

Oct. 1, 2026 – March 31, 2027 (Form SL-405)

The second round of Innovation Grant applications officially opens on October 1, 2026. Local governments or tribal nations seeking grant funding for eligible transfer agreements must complete and submit the Innovation Grant Application (Form SL-405) through [MyDORGov](#) during these time periods:

- **Phase 1**
 - Oct. 1, 2026 – Dec. 31, 2026
 - Applications received and approved during Phase 1 – anticipated first payment by March 31, 2027
- **Phase 2**
 - Jan. 1, 2027 – March 31, 2027
 - Applications received and approved during Phase 2 – anticipated first payment by June 30, 2027

Allowable services/duties eligible for transfer

- **Prioritized categories** – public safety (including law enforcement, not jails), fire protection, and emergency services
- **Other allowable categories** – public works, communications, information technology, training, courts, jails, administration (staffing, payroll, human resources), economic development and tourism, public health, housing/planning/zoning, and parks and recreation



Key contract and agreement requirements

1. **Timing and execution**
 - The contract/agreement must be signed on or after November 13, 2024 (the administrative rule notice date)
 - Renewals of contracts in effect prior to November 13, 2024, are ineligible
2. **Prior provision** – the transferor local government or tribal nation must have provided the transferred service for the full calendar year prior to the transfer
3. **Term length** – agreements must be for a minimum term of three years
4. **Cost transparency** – contracts must document baseline prior-year costs for all parties (wages, benefits, training, equipment), agreement length, allocation details, and payment structures
5. **Level of service** – public safety, fire protection, and emergency service transfers must explicitly stipulate that appropriate levels of service will be maintained

Important dates at a glance

- Oct. 1, 2026 – Form SL-405 available in MyDORGov
- By Dec. 31, 2026 – file Form SL-405 to be included in Round 2, Phase 1 review
- Jan. 15, 2027 – Form SL-410 available in MyDORGov
- March 31, 2027
 - Form SL-405 – final Round 2 deadline for grant applicants
 - Form SL-410 – annual certification deadline for current grant participants

Required cost monitoring and compliance filing (Form SL-410)

Under state law, during the grant award period, the total costs for all counties, municipalities, or tribal nations to provide the transferred service cannot exceed 115% of the total costs for those entities to provide the service in the calendar year prior to the transfer.

- **Annual Grant Cost Limitation Certification (Form SL-410)** – grant awardees must submit annually (per project) during the grant award period
- The first year of this reporting requirement will be 2027
- **Filing timeline** – Form SL-410 will be available in [MyDORGov](#) in January 2027 and must be filed by March 31, 2027
- **Compliance penalty** – failure to meet the 115% cost limitation requirement will result in DOR withholding the following grant payment

Resources

Visit our [Innovation Grants](#) page for form instructions, common questions, project examples, and more.

Questions?

Contact us at lgs@wisconsin.gov.



Innovation Grant Second application period webinar

Sept. 29, 2026, 12-1 pm

Visit our [Training](#) page to watch the video recording within a week after the webinar.