

FISCAL ESTIMATE
DOA-2048 N(R10/94)

X ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

LRB or Bill No./Adm. Rule No.
AB 956 **99-4755/1**
Amendment No. if Applicable

Subject

Reduces the motor vehicle fuel tax rate by 3 cents on July 1, 2000 and transfers \$93 million from the general fund to the transportation fund.

Fiscal Effect

State: No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.

Increase Existing Appropriation X Increase Existing Revenues
 Decrease Existing Appropriation X Decrease Existing Revenues
 Create New Appropriation

Increase Costs - May be possible to Absorb Within Agency's Budget Yes No

Decrease Costs

Local: No local government costs

1. Increase Costs
 Permissive Mandatory
2. Decrease Costs
 Permissive Mandatory

3. X Increase Revenues
 Permissive X Mandatory
4. X Decrease Revenues
 Permissive X Mandatory

5. Types of Local Governmental Units Affected:
 Towns Villages Cities
 Counties Others _____
 School Districts WTCS Districts

Fund Sources Affected

GPR FED PRO PRS X SEG SEG-S

Affected Ch. 20 Appropriations

20.395 (1)(ar), 20.395(1)(as), 20.395(1)(at), 20.395(1)(br), 20.395(1)(bs), 20.395(1)(cq), 20.395(1)(cr), 20.395(1)(fq), 20.395(1)(fs)m 20.395(1)(ft), 20.395(1)(fu), 20.395(1)(gq), 20.395(1)(hq), 20.395(1)(hr), 20.395(1)(hs), 20.395(1)(ht), 20.395(1)(hu), 20.395(2)(aq), 20.395(2)(eq), 20.395(fr), 20.395(2)(hr), 20.395(2)(iq), 20.395(2)(jq), 20.295(3)(bq), 20.395(3)(cq), 20.395(3)(eq), 20.395(3)(iq), 20.395(ir), 20.395(4)(aq), 20.395(4)(ar), 20.395(5)(cq), and 20.395(5)(dq).

Assumptions Used in Arriving at Fiscal Estimate

The motor vehicle fuel tax rate is re-computed annually on April 1st based upon the annual change in the Consumer Price Index - Urban (CPI). The April 1, 2000 adjustment increased the rate to \$0.264 per gallon.

This bill would reduce the tax rate on July 1, 2000 to \$0.234 per gallon. Subsequently the rate after the April 1, 2001 adjustment would be \$0.239 per gallon.

Motor fuel tax revenues for FY2001 are impacted by the \$0.234 rate for the first three quarters of the fiscal year and by the \$0.239 rate for the remaining quarter.

Revenues in 1999 Wisconsin Act 9 were estimated at \$828 million for FY 2001. Under AB 956 the motor vehicle fuel revenues are estimated at \$733.6 million, or a reduction of \$-94.4 million.

AB 956 transfers on July 1, 2000, \$93 million from the general fund to the transportation fund.

Net impact is a revenue loss of \$-1.4 million in FY 2001.

Long-Range Fiscal Implications

The General Fund transfer is one time, while the rate reduction will continue to limit revenue growth in future fiscal years.

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Date
April 7, 2000

FISCAL ESTIMATE WORKSHEET

1999 Session

Detailed Estimate of Annual Fiscal Effect
DOA-2047 (R10/94)

ORIGINAL UPDATED
 CORRECTED
SUPPLEMENTAL

LRB or Bill No./Adm. Rule No.
AB 956

Amendment No.

99-4155/1

Subject
Eliminates the annual adjustment to the motor vehicle fuel tax rate..

I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):
The transfer of funding from the General Fund is one time only, while the tax rate reduction will continue to limit the growth of revenues throughout future fiscal years.

II. Annualized Costs:		Annualized Fiscal impact on State funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes		\$	\$ -
(FTE Position Changes)		(FTE)	(- FTE)
State Operations - Other Costs			-
Local Assistance			-
Aids to Individuals or Organizations			-
TOTAL State Costs by Category		\$	\$ -
B. State Costs by Source of Funds			
GPR		\$	\$ -
FED			-
PRO/PRS			-
SEG/SEG-S			-
III. State Revenues -			
Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)			
GPR Taxes		\$ 93,000,000	\$ -
GPR Earned			-
FED			-
PRO/PRS			-
SEG/SEG-S			\$-94,400,000-
TOTAL State Revenues		\$ 93,000,000	\$ --94,400,000

NET ANNUALIZED FISCAL IMPACT

STATE

LOCAL

NET CHANGE IN COSTS

\$

\$

NET CHANGE IN REVENUES

\$-1,400,000.00

\$

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4/7/00