



**Fiscal Estimate Narratives**  
**DOT 3/18/2004**

LRB Number <b>03-3174/2</b>	Introduction Number <b>AB-954</b>	Estimate Type <b>Original</b>
<b>Subject</b> Organized labor highway designation		

**Assumptions Used in Arriving at Fiscal Estimate**

Net fiscal effect is negligible as most costs would be recovered through donations.

All signs are Type II (plywood on 4x6 wood post). A sign, post, installation, and fleet/auxiliary equipment charges are \$350 per installed sign. Two signs will be placed on the right-of-way (one in each direction) directing travelers to a single off-road marker designating highway 45 as the Wisconsin Labor Highway in recognition and appreciation of the contributions and achievements of organized labor. This method of designating or marking is consistent with the Manual of Uniform Traffic Control Devices. The department expects the sponsoring organizations to locate an appropriate off-highway right-of-way location where the marker could be placed at no cost to the department. WisDOT staff would do an initial visit to this site to assure that the site is appropriate and has parking provided. , notify the diggers, etc. The cost for this visit is approximately \$200. Therefore:

84.1036: 3 signs with installation: \$1050.

Total initial cost is therefore \$1250. For the signs themselves (\$1050), there is a 10% overhead cost per year to deal with signs that are knocked down, vandalized, or damaged by weather. This would also include administrative costs to deal with the signs. Assuming a 3% inflation rate for construction/maintenance, these costs would be \$108 by the end of the first year to \$141 in the tenth year. The total overhead cost by the end of the tenth year would be \$1240.50.

Due to funding cutbacks, it is not possible to absorb the costs for the signs and installation within the existing budget. However, the proposed legislation proscribes that only contributions from interested parties may be used for erection or maintenance of the markers.

We assume that if private funding does not continue to cover ongoing maintenance needs the markers would be removed at the end of their service life.

**Long-Range Fiscal Implications**

With normal wear, signs must be replaced every 10 years. Assuming that inflation rates for construction/maintenance average 3% per year, the cost to replace the signs at that the normal replacement interval would then be \$1411.50. Assuming the markers would be removed if private funding does not continue to cover sign maintenance or replacement, the long term fiscal implications for the markers themselves would be covered by additional revenue.

The bill may add to interest for additional route designations. These activities add responsibilities that while small individually, requires additional effort of the agency simply to manage or track the various designations, and the repair and maintenance needs for these signs. It detracts from efforts to focus limited government resources on the highest priority activities to achieve safety and effective mobility. While this bill at least covers the direct costs of signs associated with the designation, the practice of designating and marking may lead to other demands that further strain resources.

it is naming of highways and bridges encourages further similar legislation without private funding, the cost implications would go far beyond this long-range fiscal estimate.

## Fiscal Estimate Worksheet - 2003 Session

Detailed Estimate of Annual Fiscal Effect

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> 03-3174/2	<b>Introduction Number</b> AB-954	
<b>Subject</b>		
Organized labor highway designation		
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>		
<p>The legislation specifies that the entire route of USH 45 in Wisconsin be designated and marked as the "Wisconsin Labor Highway." Designation sponsors would need to find an appropriate site for the marker which would create a financial obligation for the department. WisDOT staff would visit the site to assure the location is appropriate, notify Diggers Hotline, etc. The cost for those one time efforts is \$200. The initial cost for the 3 required signs and their installation would be \$1050. The legislation specifies that the cost for the 3 signs, their installation and maintenance is to come from private funding.</p>		
<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	\$0	
(FTE Position Changes)		
State Operations - Other Costs	105	
Local Assistance		
Aids to Individuals or Organizations		
<b>TOTAL State Costs by Category</b>	<b>\$105</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>		
GPR		
FED		
PRO/PRS		
SEG/SEG-S (20.395 (3) eq)	105	
<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	105	
<b>TOTAL State Revenues</b>	<b>\$105</b>	<b>\$</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>		
	State	Local
NET CHANGE IN COSTS	\$105	\$\$0
NET CHANGE IN REVENUE	\$105	\$\$0

**Agency/Prepared By**

DOT/ David Vieth (608) 267-8999

**Authorized Signature**

Carol Buckmaster (608) 267-6979

**Date**

3/18/2004