

Fiscal Estimate Narratives
DOT 2/29/2012

LRB Number	11-3899/1	Introduction Number	AB-0577	Estimate Type	Original
Description Funding for the urban mass transit operating assistance program and making an appropriation					

Assumptions Used in Arriving at Fiscal Estimate

1. The bill restores state transit funding for operating assistance to four classes of urban and rural public transit systems to 2011 levels.
2. There is no administrative cost to WisDOT associated with the bill since WisDOT already oversees the distribution of state transit aid.
3. Seventy-two public transit systems experienced a 10% cut in state operating assistance for CY 2012 as compared with CY 2011 state funding. Transit systems have planned for this loss in state funding on an individual basis: reducing service, raising passenger fares, shifting more costs to local funding, delaying capital purchases (e.g., buses) or a combination. If state funding is restored to 2011 levels, transit systems will use this funding to restore service that was cut, eliminate or reduce planned fare increases, lessen contributions from local funding sources and/or restore plans to purchase capital equipment depending upon how they individually responded to the 10% cut in state funding.
4. It is estimated that this bill will have a one-time cost of \$2,957,700 for SFY 2012 and \$11,830,900 for each fiscal year beginning with SFY 2013.
5. At this point, the projected balance of the Transportation Fund is sufficient to provide the additional funding required by the bill without impacting other programs. However, the projects can change and, with fuel prices expected to increase, it is unclear whether sufficient balances will actually be available. If balances are not sufficient, funding for other programs will need to be reduced to provide the additional funding required by the bill. Specific programmatic impacts will be determined at that time.

Long-Range Fiscal Implications

1. Restoring state funding for operating assistance to CY 2011 levels will result in more funding eligible to be used as match for federal programs and therefore more federal funding for transit operating assistance for communities of under 200,000. Because the transit systems in Madison and Milwaukee serve communities of over 200,000, they are not eligible under federal rules to use their federal funding for operational costs.

Fiscal Estimate Worksheet - 2011 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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Description Funding for the urban mass transit operating assistance program and making an appropriation		
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): This bill will increase costs by \$2,957,700 for SFY2012. The annualized costs beginning SFY2013 are shown below.		
II. Annualized Costs:	Annualized Fiscal Impact on funds from:	
	Increased Costs	Decreased Costs
A. State Costs by Category		
State Operations - Salaries and Fringes	\$	\$
(FTE Position Changes)		
State Operations - Other Costs		
Local Assistance	11,830,900	
Aids to Individuals or Organizations		
TOTAL State Costs by Category	\$11,830,900	\$
B. State Costs by Source of Funds		
GPR		
FED		
PRO/PRS		
SEG/SEG-S	11,830,900	
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)		
	Increased Rev	Decreased Rev
GPR Taxes	\$	\$
GPR Earned		
FED		
PRO/PRS		
SEG/SEG-S		
TOTAL State Revenues	\$	\$
NET ANNUALIZED FISCAL IMPACT		
	<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS	\$11,830,900	\$
NET CHANGE IN REVENUE	\$	\$
Agency/Prepared By		
Authorized Signature		Date
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		2/29/2012