

Fiscal Estimate - 2013 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 13-0102/1	Introduction Number AB-0395				
Description Creation of a Joint Committee on State Mandates and required funding of state mandates					
Fiscal Effect					
State: <input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs					
Local: <input type="checkbox"/> No Local Government Costs <input checked="" type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs 3. <input type="checkbox"/> Increase Revenue 5. Types of Local Government Units Affected <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input checked="" type="checkbox"/> Towns <input checked="" type="checkbox"/> Village <input checked="" type="checkbox"/> Cities 2. <input type="checkbox"/> Decrease Costs 4. <input type="checkbox"/> Decrease Revenue <input checked="" type="checkbox"/> Counties <input checked="" type="checkbox"/> Others <u>Special Districts</u> <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input checked="" type="checkbox"/> School Districts <input checked="" type="checkbox"/> WTCS Districts					
<table style="width: 100%;"> <tr> <td style="width: 60%;">Fund Sources Affected</td> <td style="width: 40%;">Affected Ch. 20 Appropriations</td> </tr> <tr> <td> <input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS </td> <td></td> </tr> </table>		Fund Sources Affected	Affected Ch. 20 Appropriations	<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	
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Agency/Prepared By DOR/ Daniel Huegel (608) 266-5705	Authorized Signature Robert Schmidt (608) 267-9892	Date 10/23/2013			

Fiscal Estimate Narratives

DOR 10/23/2013

LRB Number	13-0102/1	Introduction Number	AB-0395	Estimate Type	Original
Description Creation of a Joint Committee on State Mandates and required funding of state mandates					

Assumptions Used in Arriving at Fiscal Estimate

Under the bill, a Legislative Joint Committee on State Mandates (JCSM) would be created. The JCSM would consist of 3 majority and 2 minority party members from the Senate and the Assembly. At least 1 member of the majority party from the Senate and the Assembly must also serve on the Joint Committee on Finance. Any bill that places a statutory requirement on a local governmental unit (broadly defined to include most sub-state governmental entities) must be referred to the JCSM. The JCSM would be required to review the proposal to determine if it has a negative uncompensated fiscal effect on local governmental units. If the proposal is found to be a state-imposed mandate, the JCSM would be required to offer an amendment to the proposal to appropriate funds to offset the cost of the mandate. If such a mandate is not funded, the mandate may not be enforced until it is funded.

The bill also directs the Legislative Fiscal Bureau (LFB), by January 1, 2015, to identify all mandates other than ones having a minimal fiscal effect, and to provide a report on such mandates to the JCSM. The committee is then required to introduce legislation that would repeal all unfunded mandates on local governments.

The Department of Revenue (DOR) expects it may incur costs one-time costs under the bill. Since the DOR is the state agency that receives annual financial report forms from towns, villages, cities, and counties, it is likely that the costing of current state mandates by the LFB affecting these units may be based, in part, on data in those reports. Any costs related to supplying and assisting in interpreting this data can be absorbed in current budgetary resources.

The DOR may also incur on-going costs related to assisting the JCSM in costing new proposals that impose mandates on local governmental units. This would, in effect, be an increase in the requirements under the fiscal note process for legislative proposals under current law. It is expected that costs to the DOR could be absorbed in current budgetary resources.

Long-Range Fiscal Implications