

Fiscal Estimate - 2015 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 15-0169/1	Introduction Number AB-0071
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Description
 Aid payments on, and city, village, town, and county approval of, certain lands purchased by the Department of Natural Resources and restrictions on the purchase of land by the Board of Commissioners of Public Lands

Fiscal Effect

State:

<input type="checkbox"/> No State Fiscal Effect	<input type="checkbox"/> Increase Existing Revenues	<input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Indeterminate	<input type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Increase Existing Appropriations		<input checked="" type="checkbox"/> Decrease Costs
<input type="checkbox"/> Decrease Existing Appropriations		
<input type="checkbox"/> Create New Appropriations		

Local:

<input type="checkbox"/> No Local Government Costs	5. Types of Local Government Units Affected	
<input type="checkbox"/> Indeterminate		
1. <input type="checkbox"/> Increase Costs	3. <input type="checkbox"/> Increase Revenue	<input checked="" type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input checked="" type="checkbox"/> Counties <input type="checkbox"/> Others
2. <input type="checkbox"/> Decrease Costs	4. <input checked="" type="checkbox"/> Decrease Revenue	<input checked="" type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory	

Fund Sources Affected	Affected Ch. 20 Appropriations
<input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input checked="" type="checkbox"/> SEG <input type="checkbox"/> SEGS	

Agency/Prepared By DNR/ Joe Polasek (608) 266-2794	Authorized Signature Joe Polasek (608) 266-2794	Date 3/12/2015
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Fiscal Estimate Narratives

DNR 3/12/2015

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Assumptions Used in Arriving at Fiscal Estimate

The bill contains two provisions that affect the Department:

1. The bill prohibits the Department from acquiring any land under the stewardship program without the prior approval of the governing body of each city, village, town, and county in which any of the land is located.

Fiscal Effect

There would be no added operational costs as a result of this provision. Existing staff would obtain the approval needed from local units of government within their existing workload.

2. The bill prohibits the Department from making payments in lieu of taxes (PILTs) to local units of government for land it purchases after June 30, 2015.

Fiscal Effect

The fiscal effect of this provision assumes that Stewardship funding available to purchase land in fee title would remain at its current level of approximately \$6,666,700 per year. Assuming that the average cost per acre of land acquired thru fee title is \$1,828, based upon purchases made from July 1, 2011 thru December 31, 2014, it is assumed that the Department is able to purchase about 3,647 acres/yr. (\$6,666,700/\$1,828 per acre). Assuming that the average PILT payment per acre in the initial year of payments is \$16/acre (based upon PILT payments made from January 1, 2012 thru December 31, 2013), PILT payments made by the Department would decrease by an estimated \$58,400/year (3,647 acres x \$16/acre). It is important to note that since there can be a wide range in local assessments and mill rates as well as fluctuations in equalized land values, it is possible that actual costs in any given fiscal year could vary considerably from the average used for this calculation.

Long-Range Fiscal Implications

The long range fiscal implications are difficult to ascertain.

Fiscal Estimate Worksheet - 2015 Session

Detailed Estimate of Annual Fiscal Effect

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Description Aid payments on, and city, village, town, and county approval of, certain lands purchased by the Department of Natural Resources and restrictions on the purchase of land by the Board of Commissioners of Public Lands		
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):		
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		-58,400
Aids to Individuals or Organizations		
TOTAL State Costs by Category	\$	\$-58,400
B. State Costs by Source of Funds		
GPR		-58,400
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.)		
	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	\$-58,400	\$
NET CHANGE IN REVENUE	\$	-\$58,400
Agency/Prepared By		
Authorized Signature		Date
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