

Fiscal Estimate Narratives

DNR 9/1/2017

LRB Number	17-2628/2	Introduction Number	AB-0480	Estimate Type	Original
Description review by the Department of Safety and Professional Services of the state electrical wiring code applicable to one-family and two-family dwellings; the legal description required for recording an easement for the construction, operation, or maintenance of sewer lines or facilities; expanding the use of tax incremental financing for workforce housing development and allowing a reduction in the amount of certain impact fees; effect of changes in requirements for development-related permits or authorizations on persons who apply for the permits or authorizations; exempting certain vehicles delivering propane from class B highway weight limitations and certain special or seasonal weight limitations; elimination of the forestation state property tax; reviews of and reports on bills and proposed administrative rules that affect housing; general permits to place riprap on the bed of a navigable water; and making an appropriation					

Assumptions Used in Arriving at Fiscal Estimate

1. State Mill Tax

Currently, the state mill tax is set at 0.1697 mills for each dollar of assessed value of property, the bill ends collecting any mill tax amount with the property tax assessments as of January 1, 2017, and instead transfers an equivalent amount of GPR to the forestry account to be used for the same purpose.

a. Costs

GPR expenditures would increase by an amount equivalent to what would have been generated from the state mill tax. In FY 2018, that amount is estimated at \$88,759,300 and would vary in subsequent years in proportion to changes in the assessed value of property.

b. Revenues

Elimination of the state mill tax would translate to a reduction in segregated property tax revenues of \$88,759,300 in FY 2018, and by varying amounts in subsequent years based upon changes to the assessed value of property.

2. Riprap General Permits

The bill increases the amount of riprap that may be placed in an inland lake of 300 acres or more under a general permit from 100 to 200 contiguous feet. In addition, it changes the height criteria for new riprap placed under a general permit to the top of bank or 4 feet above the ordinary high water mark, whichever is lower. The current height criteria based on wave energy hitting the shoreline is in administrative code NR 328.

a. One-time Costs

The bill would result in increased one-time workload related to updating program procedures and databases, revising application and exemption materials, legal review of documents, rule promulgation or creating a statewide general permit, training staff, and conducting customer outreach. Implementation is estimated to require one-time expenditures of \$50,500 and 0.59 FTE of staff time.

b. Changes in fees associated with change in general permit

Changes in the amount of new riprap that can be placed under a general permit on inland lakes would result in an estimated \$10,000/yr. reduction in waterway and wetland permit fee revenues. This estimate is based on the assumption that activities on inland lakes over 300 acres that had previously required an individual permit at a cost of \$603 would potentially be covered under a general permit at a cost of \$303.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2017 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): Implementation costs of \$50,500 and 0.59 FTE associated with changes to riprap general permits requirements.		
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	88,759,300	
Local Assistance		
Aids to Individuals or Organizations		
TOTAL State Costs by Category	\$88,759,300	\$
B. State Costs by Source of Funds		
GPR	88,759,300	
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		-10,000
SEG/SEG-S		-88,759,300
TOTAL State Revenues	\$	-\$88,769,300
NET ANNUALIZED FISCAL IMPACT		
	State	Local
NET CHANGE IN COSTS	\$88,759,300	\$
NET CHANGE IN REVENUE	-\$88,769,300	\$

Agency/Prepared By	Authorized Signature	Date
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