

Fiscal Estimate - 2019 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 19-3127/1	Introduction Number AB-0538
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Description
 authorizing the creation of multijurisdictional business improvement districts, changes to public annual reports for neighborhood improvement districts, and changes to certain notifications for both types of districts

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"/> Indeterminate	<input type="checkbox"/> Decrease Existing Revenues	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Decrease Costs
<input type="checkbox"/> Decrease Existing Appropriations		
<input type="checkbox"/> Create New Appropriations		

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	
2. <input type="checkbox"/> Decrease Costs	4. <input type="checkbox"/> Decrease Revenue	
<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	
	<input type="checkbox"/> Counties <input type="checkbox"/> Others	
	<input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts	

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	

Agency/Prepared By DOR/ Craig Steinfeldt (608) 266-5705	Authorized Signature Jamie Adams (608) 266-6785	Date 10/16/2019
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Fiscal Estimate Narratives

DOR 10/16/2019

LRB Number	19-3127/1	Introduction Number	AB-0538	Estimate Type	Original
Description authorizing the creation of multijurisdictional business improvement districts, changes to public annual reports for neighborhood improvement districts, and changes to certain notifications for both types of districts					

Assumptions Used in Arriving at Fiscal Estimate

Under current law, based on the receipt of a petition from certain business or property owners, a municipality (city, village or town) may create a business improvement district (BID) or a neighborhood improvement district (NID). The creating municipality may impose special assessments on property in a BID or NID, and may appropriate money to such districts. All funds must be placed in a segregated account and spent for the benefits of the BID or NID.

The bill authorizes two or more municipalities to create a single multijurisdictional BID (MJBID). Each municipality that is part of the MJBID must impose, collect, and deposit into its own municipal treasury all special assessments or other funds that relate to properties that are located within its jurisdiction. The bill makes the financial statement and audit requirements for BIDs apply similarly to NIDs: a reviewed financial statement for cash balances less \$300,000 at any time during the year and an independent certified audit for cash balances exceeding \$300,000 at any time during the year. The bill also changes a current law requirement that certain notices be sent certified mail to 1st class mail, and allows a municipality to fulfill its notice requirements by sending only one notice to a person who owns more than one property in a BID or NID.

The fiscal estimate is indeterminate as the department does not have data on BIDs or NIDs. The bill could reduce municipal government expenditures to the extent that a financial review of an eligible NID costs less than a certified audit. The bill would also reduce postage costs related to mailing certain notices for BIDs and NIDs.

Long-Range Fiscal Implications