

## Fiscal Estimate - 2019 Session

☒ Original
 ☐ Updated
 ☐ Corrected
 ☐ Supplemental

<b>LRB Number</b> <b>19-3848/1</b>	<b>Introduction Number</b> <b>AB-0767</b>	
<b>Description</b> grants to school districts for weatherization projects, granting rule-making authority, and making an appropriation		
<b>Fiscal Effect</b>  <b>State:</b> <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> No State Fiscal Effect  <input type="checkbox"/> Indeterminate  <input type="checkbox"/> Increase Existing Appropriations  <input type="checkbox"/> Decrease Existing Appropriations  <input checked="" type="checkbox"/> Create New Appropriations                 </div> <div style="width: 33%;"> <input type="checkbox"/> Increase Existing Revenues  <input type="checkbox"/> Decrease Existing Revenues                 </div> <div style="width: 33%;"> <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget  <div style="display: flex; justify-content: space-between;"> <span><input type="checkbox"/> Yes</span> <span><input checked="" type="checkbox"/> No</span> </div> <input type="checkbox"/> Decrease Costs                 </div> </div> <b>Local:</b> <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> No Local Government Costs  <input type="checkbox"/> Indeterminate                  1. <input type="checkbox"/> Increase Costs                     <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory                  2. <input type="checkbox"/> Decrease Costs                     <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory             </div> <div style="width: 33%;">                 3. <input checked="" type="checkbox"/> Increase Revenue                     <input checked="" type="checkbox"/> Permissive <input type="checkbox"/> Mandatory                  4. <input type="checkbox"/> Decrease Revenue                     <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory             </div> <div style="width: 33%;"> <b>5. Types of Local Government Units Affected</b>  <div style="display: flex; justify-content: space-between;"> <div> <input type="checkbox"/> Towns  <input type="checkbox"/> Counties  <input checked="" type="checkbox"/> School Districts                         </div> <div> <input type="checkbox"/> Village  <input type="checkbox"/> Others  <input type="checkbox"/> WTCS Districts                         </div> <div> <input type="checkbox"/> Cities                         </div> </div> </div> </div>		
<div style="display: flex; justify-content: space-between;"> <div> <b>Fund Sources Affected</b>  <input checked="" type="checkbox"/> GPR   <input type="checkbox"/> FED   <input type="checkbox"/> PRO   <input type="checkbox"/> PRS   <input type="checkbox"/> SEG   <input type="checkbox"/> SEGS 20.255(2)(dv)                     </div> <div> <b>Affected Ch. 20 Appropriations</b> </div> </div>		
<b>Agency/Prepared By</b>  DPI/ Morgan Aschenbrenner (608) 264-9559	<b>Authorized Signature</b>  Erin Fath (608) 266-2804	<b>Date</b>  1/27/2020

## Fiscal Estimate Narratives

DPI 1/27/2020

LRB Number	19-3848/1	Introduction Number	AB-0767	Estimate Type	Original
<b>Description</b> grants to school districts for weatherization projects, granting rule-making authority, and making an appropriation					

### Assumptions Used in Arriving at Fiscal Estimate

This bill creates a new grant program within department to award grants to school districts for weatherization projects. The bill provides \$1.5 million GPR annually beginning in FY21 for this purpose. The also authorized the department to promulgate administrative rules for the proposed new grant program.

The department has never had responsibility for administering a weatherization grant program.

This bill refers to 42 USC 6862 (9) for a definition of allowable weatherization materials to implement or install. These include:

- Caulking and weather-stripping of doors and windows
- Furnace efficiency modifications, including, but not limited to—
  - oReplacement burners, furnaces, or boilers or any combination thereof;
  - oDevices for minimizing energy loss through heating system, chimney, or venting devices; and
  - oElectrical or mechanical furnace ignition systems which replace standing gas pilot lights;
- Clock thermostats
- Ceiling, attic, wall, floor, and duct insulation;
- Water heater insulation;
- Storm windows and doors, multiglazed windows and doors, heat-absorbing or heat-reflective window and door materials;
- Cooling efficiency modifications, including, but not limited to, replacement air-conditioners, ventilation equipment, screening, window films, and shading devices;
- Solar thermal water heaters;
- Wood-heating appliances...”

Under this bill, the state superintendent would establish a council under s. 15.04(1)(c) which would make recommendations on:

- Grant award criteria;
- Grant application review; and
- Determination of which school districts the grants are to be awarded.

This bill will allow a maximum of 10 percent of the grant received to be put towards “educational materials related to the weatherization project for which the grant is awarded.” The bill does not define “educational materials related to weatherization”, thus it is not clear what would constitute a qualifying/related expenditure, or, further, whether the 10 percent set aside for education materials is intended to be applicable to students, school staff (facilities, management, etc.), or the larger community in the school district.

State: Increase expenditures

This bill would appropriate \$1.5 million GPR annually, beginning in FY21 (the bill does not sunset the proposed grant). This bill would create an increase in administrative costs for the department of approximately \$82,000 annually (salary, fringe benefits, and fixed costs), assuming the department could obtain additional position authority.

Local: Increase revenues and potential for cost savings

This bill would provide a maximum of \$100,000 each year to school districts that successfully compete for the

grant. Energy saving benefits from weatherization for school districts will vary based on projects. Project cost will be dependent upon current initiatives, needed supplies, labor, and designated area.

#### **Long-Range Fiscal Implications**

## Fiscal Estimate Worksheet - 2019 Session

Detailed Estimate of Annual Fiscal Effect

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<b>Description</b> grants to school districts for weatherization projects, granting rule-making authority, and making an appropriation			
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>			
<b>II. Annualized Costs:</b>		<b>Annualized Fiscal Impact on funds from:</b>	
		Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>			
State Operations - Salaries and Fringes	\$68,200	\$	
(FTE Position Changes)	(1.0 FTE)		
State Operations - Other Costs	13,900		
Local Assistance			
Aids to Individuals or Organizations			
<b>TOTAL State Costs by Category</b>	<b>\$82,100</b>	<b>\$</b>	
<b>B. State Costs by Source of Funds</b>			
GPR	82,100		
FED			
PRO/PRS			
SEG/SEG-S			
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>			
	Increased Rev	Decreased Rev	
GPR Taxes	\$	\$	
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
<b>TOTAL State Revenues</b>	<b>\$</b>	<b>\$</b>	
<b>NET ANNUALIZED FISCAL IMPACT</b>			
	<u>State</u>	<u>Local</u>	
NET CHANGE IN COSTS	\$82,100	\$	
NET CHANGE IN REVENUE	\$	\$	
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	<b>Date</b>
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