

**FISCAL ESTIMATE**

DOA-2048 N(R 10/98)

- ORIGINAL       UPDATED  
 CORRECTED       SUPPLEMENTAL

List both LRB No. and Bill/Adm. Rule No.  
 LRB 4076/2 or SB 0472  
 Amendment No. (If Applicable)  
 NA

**Subject Land Divisions in Exclusive Agricultural Zoning Districts**

**Fiscal Effect**

State:  No State Fiscal Effect  
 Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation

- Increase Costs – May be possible to Absorb Within Agency's Budget     Yes     No  
 Decrease Costs

- Increase Existing Appropriation     Increase Existing Revenues  
 Decrease Existing Appropriation     Decrease Existing Revenues  
 Create New Appropriation

Local :  No local government costs

1.  Increase Costs  
     Permissive     Mandatory  
 2.  Decrease Costs  
     Permissive     Mandatory

3.  Increase Revenues  
     Permissive     Mandatory  
 4.  Decrease Revenues  
     Permissive     Mandatory

5. Types of Local Governmental Unit Affected:  
 Towns     Villages     Cities  
 Counties     Others \_\_\_\_\_  
 School Districts     WTCS Districts

**Fund Source Affected**

- GPR     FED     PRO     PRS     SEG     SEG-S

Affected Ch. 20 Appropriations  
 NA

**Assumptions Used in Arriving at Fiscal Estimate**

The purpose of the proposed bill is to restrict the number of lots that a parcel of land in an exclusive agricultural use district under the state's farmland preservation program may be divided. It creates a 35-acre density requirement for parcels in the exclusive agricultural district as of January 1, 2001. The proposed bill also requires the seller of these lands to inform the purchaser of the number of lots into which the land may be divided.

**Impact of the Proposed Bill on State Government**

The department administers the farmland preservation program and provides staffing for the Land and Water Conservation Board for certifying exclusive agricultural zoning ordinances adopted under ch. 91, Wis. Stats. The department assumes that there will be no additional local governments adopting exclusive agricultural zoning ordinances and participating in the farmland preservation program as a result of enacting this proposed bill. As a result, the department believes there will be no additional cost to state government.

(Continued on Page 2)

**Long - Range Fiscal Implications**

The proposed bill will not have any long-range fiscal implications on the department or for state government. The bill requires that each local government that administers an exclusive agricultural zoning ordinance must keep track of the parcels as of January 1, 2001, and determine the number of land divisions allowed under the proposed bill based on the parcel size divided by 35 acres. The proposed bill will require local governments with exclusive agricultural zoning ordinances to monitor land sales to ensure that the 35-acre density requirement is met. It is difficult to estimate the staffing required to monitor compliance. However, the department assumes that each local government will need to have a part-time staff person to deal with the additional workload. This will likely cost between \$4,000 and \$8,000 per county per year depending on the number of towns that have adopted the county's exclusive agricultural zoning. The cost to cities, villages, and towns that administer their own ordinances are likely \$400 to \$800 per year, depending on the amount of land in exclusive agricultural zoning districts and the level of land sales and land divisions. Please refer to the costs to local governments on page 2.

Agency/prepared by: (Name & Phone No.)

DATCP  
 Keith Foye 224-4603

Authorized Signature/Telephone No.

*Barbara Knapp*  
 Barbara Knapp (608) 224-4746

Date

March 20, 2000

## Assumptions Used in Arriving at Fiscal Estimate (continued from page 1)

### Impact of the Proposed Bill on Local Governments

There are currently a total of 189 exclusive agricultural zoning ordinances administered by 33 counties, 120 towns, 19 cities, and 17 villages for the farmland preservation program. The 33 county exclusive agricultural zoning ordinances have been adopted and are in effect in 276 towns. The department assumes that the local governments will be required to determine the parcels, as of January 1, 2001, and the number of lots that may be divided off based on the 35-acre density requirement proposed in the bill.

For this fiscal estimate, the department assumes that each of the 189 ordinances will need to establish maps showing the parcels and the acres in each parcel as of the effective date of the bill, January 1, 2001. This will cost an average of \$1,000 to \$2,000 per county and from \$100 to \$200 per municipality that has an exclusive agricultural ordinance. In addition, each local government with an ordinance will need to have staff available to monitor land divisions to make sure it complies with the 35-acre density required by the proposed bill. Although the annual staffing costs for local governments to monitor compliance are difficult to estimate, the department assumes that this will cost each county from \$4,000 to \$ 8,000 per year (assuming a need for an average of 15% of one staff and based on an average annual staff cost of \$40,000 per year) and an average cost to other municipalities of about \$400 to \$1,000 per year (assuming the need for an average of 2% of one staff and based on an average annual staff cost of \$35,000 per year). The cost will depend on the amount of land in exclusive agricultural zoning districts and the level of land sales and requested divisions. The following are assumptions used for the costs to local governments to adopt and implement this bill.

| <u>Activity</u>                             | <u>Cost</u>                                |
|---|--|
| Costs to map the parcels and parcel acres   |  |
| Counties                                    | \$1,000 to \$2,000 per county              |
| Other municipalities                        | \$100 to \$200 per municipality            |
| Annual staffing costs to monitor compliance |  |
| Counties                                    | \$ 4,000 to \$8,000 per county per year    |
| Other Municipalities                        | \$400 to \$1,000 per municipality per year |
| Total (total cost first year)               |  |
| Counties                                    | \$5,000 to \$10,000 per county             |
| Other Municipalities                        | \$ 500 to \$1,200 per municipality         |

The total estimated local cost to implement the proposed bill is 33 counties times an average annual cost of \$6,000 (or \$198,000), plus 156 towns, cities and villages with their own ordinances times an average total cost of \$800 (or \$124,800), or a total estimated cost of \$322,800. This annual cost does not include an average total one-time cost for mapping of \$ 72,900. This is based on an assumed average cost of \$1,500 for each of the 33 counties (\$49,500) and \$150 for each of the other 156 municipalities (\$23,400).

**FISCAL ESTIMATE WORKSHEET**

**1999 SESSION**

Detailed Estimate of Annual Fiscal Effect  
DOA-2047 (R10/94)

ORIGINAL  UPDATED  
 CORRECTED  SUPPLEMENTAL

List both LRB No. and Bill/Adm.Rule No.  
LRB 4076/2 or SB 0472

Amendment No.  
NA

|   |  |                        |
|---|--|------------------------|
| <b>Subject</b><br>Land Divisions in Exclusive Agricultural Zoning Districts   |  |                        |
| <b>I. One-time Cost or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b><br>None  |  |                        |
| <b>II. Annualized Cost:</b>   | <b>Annualized Fiscal Impact on State funds from:</b> |                        |
| <b>A. State Costs by Category</b>   | <b>Increased Costs</b>                               | <b>Decreased Costs</b> |
| State Operations - Salaries and Fringes   | \$ 0   | \$ - 0                 |
| (FTE Position Changes)  | ( 0 FTE)   | (- 0 FTE)              |
| State Operations - Other Costs  | 0  | - 0                    |
| Local Assistance  | 0  | - 0                    |
| Aids to Individuals or Organizations  | 0  | - 0                    |
| <b>TOTAL State Costs by Category</b>  | <b>\$ 0</b>  | <b>\$ - 0</b>          |
| <b>B. State Costs by Source of Funds</b>  | <b>Increased Costs</b>                               | <b>Decreased Costs</b> |
| GPR   | \$ 0   | \$ - 0                 |
| FED   |  | -                      |
| PRO/PRS   |  | -                      |
| SEG/SEG-S   | 0  | - 0                    |
| <b>III. State Revenues -</b> <small>Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</small> | <b>Increased Rev.</b>                                | <b>Decreased Rev.</b>  |
| GPR Taxes   | \$   | \$ -                   |
| FED   |  | -                      |
| PRO/PRS   |  | -                      |
| SEG/SEG-S   |  | -                      |
| <b>TOTAL State Revenues</b>   | <b>\$</b>  | <b>\$ -</b>            |

**NET ANNUALIZED FISCAL IMPACT**

|                        |              |                     |
|------------------------|--------------|---------------------|
|                        | <u>STATE</u> | <u>LOCAL</u>        |
| NET CHANGE IN COSTS    | \$ <u>0</u>  | \$ <u>322,800 *</u> |
| NET CHANGE IN REVENUES | \$ <u>0</u>  | \$ <u>0</u>         |

\* These annual costs do not include one time costs of an estimated \$72,900 for mapping. Please see page 2 of this estimate.

|   |   |                               |
|---|---|-------------------------------|
| <b>Agency Prepared by: (Name &amp; Phone No.)</b><br>DATCP<br>Keith Foye (608) 224-4603 | <b>Authorized Signature/Telephone No.</b><br><i>Barbara Knapp</i><br>Barbara Knapp (608) 224-4746 | <b>Date</b><br>March 20, 2000 |
|---|---|-------------------------------|