

### Fiscal Estimate - 2003 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> <b>03-4295/1</b>	<b>Introduction Number</b> <b>SB-514</b>
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**Subject**  
 Historic buildings; certified downtowns; highway projects

**Fiscal Effect**

**State:**

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

**Local:**

<input checked="" type="checkbox"/> No Local Government Costs		
<input 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 type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts

<b>Fund Sources Affected</b>	<b>Affected Ch. 20 Appropriations</b>
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input checked="" type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS S. 20.143 (1) (gb)	

<b>Agency/Prepared By</b>	<b>Authorized Signature</b>	<b>Date</b>
COMM/ Debra Bresser (608) 266-8603	Louie Cornelius (608) 266-8629	3/12/2004

## Fiscal Estimate Narratives

COMM 3/12/2004

LRB Number	03-4295/1	Introduction Number	SB-514	Estimate Type	Original
<b>Subject</b>					
Historic buildings; certified downtowns; highway projects					

### Assumptions Used in Arriving at Fiscal Estimate

This legislation makes numerous changes regarding historic buildings and downtown development, topics which impact and involve the Department of Commerce, and also makes changes regarding major highway projects.

#### Historic Buildings

The Department currently administers Comm 70, the Historic Building Code, which provides alternative building standards for preserving or restoring buildings or structures designated as historic buildings. The Historic Building Code is a uniform code. Therefore, the Department currently processes petitions for variance from the code. S. 101.02 (7), Stats., indicates redress for individuals impacted by local orders that contradict Department of Commerce orders.

This legislation would require the Department to "liberally" interpret the historic building code. There would be no fiscal impact on the Department resulting from this aspect of the legislation. The legislation also allows political subdivisions to issue variances relating to handrails or guardrails of qualified historic buildings. The Department receives a limited number of submittals for review under the Historic Building Code (less than 50 annually) and therefore estimates that the number of variances granted would be negligible, resulting in a negligible decline in variances and resulting revenue. The legislation indicates redress for individuals from local orders regarding historic buildings. The Department anticipates a workload similar to the current redress process and therefore no fiscal impact resulting from this aspect of the legislation. The legislation would require the Department to develop and publish an informational brochure regarding the historic building code. The Department estimates that the workload associated with this can be absorbed within current resources.

#### Downtown Development

The Bureau of Downtown Development located within the Department of Commerce administers the Wisconsin Main Street Program. The program funds staff members who designate communities as Main Street Communities, and provide them with technical support and training using a comprehensive strategy based on historic preservation.

This legislation creates a state rehabilitation tax credit for persons eligible to claim qualified expenses related to rehabilitating historic buildings or historic property. Under this bill, the State Historical Society must certify the rehabilitation, and is authorized to collect a fee equal to 2 percent of the qualified expenses related to the rehabilitation. This bill requires the State Historical Society to transfer 50 percent of the fees to a program revenue appropriation within the Department to support additional staffing in the Department's Main Street Program. This appropriation was created by the bill for this purpose. This legislation also authorizes an additional 2.0 FTE positions within the Department funded by the fees generated under the bill. The Department estimates one-time costs of \$7,000 and annual costs at \$138,700, and annual revenue provided by the State Historical Society at \$120,000.

This bill also requires the Department to develop and publish guidelines to aid communities in reconstructing central business districts that are destroyed or severely damaged in major disasters. The bill also requires the Department to promulgate rules under which the Department must consider several additional factors when certifying a downtown. Lastly, the bill requires the Department of Transportation to consult with the Department when considering a highway project in an area certified by the Main Street Program. The Department estimates that the additional costs and workload generated by these three requirements may be absorbed by the additional revenues generated by the fee provisions under this bill.

## Long-Range Fiscal Implications

## Fiscal Estimate Worksheet - 2003 Session

Detailed Estimate of Annual Fiscal Effect

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<b>LRB Number</b> 03-4295/1		<b>Introduction Number</b> SB-514	
<b>Subject</b>			
Historic buildings; certified downtowns; highway projects			
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>			
\$7,000			
<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		\$112,700	0
(FTE Position Changes)		(2.0 FTE)	(0.0 FTE)
State Operations - Other Costs		26,000	0
Local Assistance		0	0
Aids to Individuals or Organizations		0	0
<b>TOTAL State Costs by Category</b>		<b>\$138,700</b>	<b>\$0</b>
<b>B. State Costs by Source of Funds</b>			
GPR		0	0
FED		0	0
PRO/PRS (PRO)		138,700	0
SEG/SEG-S		0	0
<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		\$0	\$0
GPR Earned		0	0
FED		0	0
PRO/PRS (PRO)		120,000	0
SEG/SEG-S		0	0
<b>TOTAL State Revenues</b>		<b>\$120,000</b>	<b>\$0</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>			
		State	Local
NET CHANGE IN COSTS		\$138,700	\$0
NET CHANGE IN REVENUE		\$120,000	\$0
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	<b>Date</b>
COMM/ Debra Bresser (608) 266-8603		Louie Cornelius (608) 266-8629	3/12/2004