

Fiscal Estimate Narratives

DOR 7/16/2003

LRB Number	03-1080/1	Introduction Number	AB-433	Estimate Type	Original
Subject					
Allow local governments to suspend compliance with certain unfunded state mandates					

Assumptions Used in Arriving at Fiscal Estimate

Under current law, a town, village, city, or county can request a waiver from a state mandate except if the mandate is related to health or safety. Waiver requests are filed with the Department of Revenue (DOR). DOR forwards the request to the administrative agency responsible for administering the mandate, which can approve or deny the request. If no state agency administers the mandate, then DOR must approve or deny the request. Waivers are effective for four years, and can be renewed for additional four-year periods if the agency that granted the waiver agrees.

Under the bill, an "unfunded mandate" would be defined as a mandate for which the state does not provide the town, village, city, or county with funds to pay for at least 70% of the cost of complying with the mandate. Except for "unfunded mandates" dealing with health or safety, the bill would allow a local governing board to enact an ordinance that suspends compliance with an "unfunded mandate". The ordinances would be effective for four years, and could be renewed for additional four-year periods.

Based on the experience with the current mandate waiver program, it is not possible to reasonably predict how many localities would pass the ordinances permitted under the bill. It is therefore not possible to reasonably estimate the reductions in local government expenditures that this bill could engender.

By allowing local governments to opt out of certain state mandates without seeking state approval, it is likely that fewer mandate waiver requests will be filed with DOR. It is not possible to reasonably estimate the reductions in state administrative costs that this bill could engender.

Long-Range Fiscal Implications