

Fiscal Estimate - 2005 Session

Original Updated Corrected Supplemental

LRB Number 05-3558/1 **Introduction Number** **SB-379**

Description
The regulation, preservation, and restoration of historic buildings, the supplement to the federal historic rehabilitation tax credit and the state historic rehabilitation tax credit, requiring the certification of downtowns, promoting certain downtown areas in this state, highway projects involving business and downtown areas, the construction of major highway projects involving a bypass, granting rule-making authority, and making appropriations.

Fiscal Effect

State:
 No State Fiscal Effect
 Indeterminate
 Increase Existing Appropriations Increase Existing Revenues Increase Costs - May be possible to absorb within agency's budget
 Decrease Existing Appropriations Decrease Existing Revenues Yes No
 Create New Appropriations Decrease Costs

Local:
 No Local Government Costs
 Indeterminate
1. Increase Costs 3. Increase Revenue 5. Types of Local Government Units Affected
 Permissive Mandatory Permissive Mandatory Towns Village Cities
2. Decrease Costs 4. Decrease Revenue Counties Others
 Permissive Mandatory Permissive Mandatory School Districts WTCS Districts

Fund Sources Affected **Affected Ch. 20 Appropriations**
 GPR FED PRO PRS SEG SEGS

Agency/Prepared By DOA/ Nancy Foss (608) 266-5877	Authorized Signature Martha Kerner (608) 266-1359	Date 10/21/2005
---	---	---------------------------

Fiscal Estimate Narratives
DOA 10/24/2005

LRB Number	05-3558/1	Introduction Number	SB-379	Estimate Type	Original
Description The regulation, preservation, and restoration of historic buildings, the supplement to the federal historic rehabilitation tax credit and the state historic rehabilitation tax credit, requiring the certification of downtowns, promoting certain downtown areas in this state, highway projects involving business and downtown areas, the construction of major highway projects involving a bypass, granting rule-making authority, and making appropriations.					

Assumptions Used in Arriving at Fiscal Estimate

For the Department of Administration, the bill's provisions that relate to support of the Building Commission or the leasing of facilities are those considered in this estimate.

The bill would require downtown locations for new state office buildings for certified Main Street communities unless the cost of locating downtown is more than 10% greater than the average cost of sites in the geographic service that are not downtown. Few new buildings may be expected in the foreseeable future and the analysis on such cost can be done as part of capital budget reviews. Thus, the agency would absorb the cost of the analysis. It is not possible to determine whether any particular downtown location might cost more or less than the average cost measure defined in the bill until specific facilities are being located.

The bill would also require the Building Commission not to approve leases for state office facilities to be located outside of downtown for certified Main Street communities unless the cost of locating downtown is more than 10% greater than the average cost for facilities in the geographic service area outside downtown. DOA leasing staff conducted an analysis of present leases in Main Street areas, based on a 10% higher cost rate, and estimated this provision might cost an additional \$133,600 in lease costs to be paid by state agencies. Actual costs, however, would depend on the actual leases and their terms. Additionally, if all applicable offices would have to relocate as a result of the bill's provisions on leases, the moving costs might be another \$209,200.

Local costs are unknown.

Long-Range Fiscal Implications

Unknown.