

Fiscal Estimate Narratives

COMM 4/24/2006

LRB Number	05-4894/1	Introduction Number	SB-681	Estimate Type	Original
Description Changes to the impact fee law and imposing certain requirements on other fees imposed by political subdivisions					

Assumptions Used in Arriving at Fiscal Estimate

Under this bill, impact fees imposed for the construction of certain public facilities may only be imposed by cities, towns and villages. In addition, the definition for public facilities is modified under this bill to eliminate the reference to other recreational facilities.

Under this bill, municipalities that charge impact fees are required to place impact fees in individually segregated, interest-bearing accounts and municipalities are required to adopt generally-accepted accounting principles to track impact fees imposed. In addition, a developer must pay the impact fee within 14 days of the municipality's issuance of a building or occupancy permit.

The costs to municipalities under this bill are indeterminable as each municipality will have varying numbers of public facility projects in a given year that necessitate the imposition of an impact fee on a developer. It is likely that this bill will increase costs for municipalities as they will have to familiarize themselves with the requirements of the bill, and may need to reallocate or train staff accordingly. However, the likely costs to municipalities are indeterminable at this time.

Long-Range Fiscal Implications