

Fiscal Estimate - 2009 Session

Original Updated Corrected Supplemental

LRB Number 09-4527/1	Introduction Number AB-0876
Description expanding the authority of political subdivisions to make residential energy efficiency improvement loans, and authorizing political subdivisions to make water efficiency improvement loans and impose special charges for the loans.	
Fiscal Effect	
State:	
<input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs	
Local:	
<input type="checkbox"/> No Local Government Costs <input checked="" type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs 3. <input type="checkbox"/> Increase Revenue <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	
5. Types of Local Government Units Affected <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	
Fund Sources Affected	
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	
Affected Ch. 20 Appropriations	
Agency/Prepared By	Authorized Signature
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Date	
4/5/2010	

Fiscal Estimate Narratives
PSC 4/5/2010

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Description expanding the authority of political subdivisions to make residential energy efficiency improvement loans, and authorizing political subdivisions to make water efficiency improvement loans and impose special charges for the loans.					

Assumptions Used in Arriving at Fiscal Estimate

2009 WI Act 11 authorized a political subdivision (municipality or county) to impose a special charge against real property for various services rendered by the municipality. The law also allows these political subdivisions to make loans to residents of the municipality for making or installing an energy efficiency improvement or renewable resource application to their residential property. This loan repayment is collected via the "special charge" process described above.

The bill expands the energy efficiency loan provisions above to include both commercial and industrial premises and adds water efficiency improvements to the group of allowable enhancements eligible for these loans.

The bill also allows the political subdivision to enter into a loan repayment agreement with the owner or lessee of the premises under which the owner or lessee obtains a loan from a private lender for said improvement, acting as a conduit by collecting the repayment of the loan as a special charge and forwarding the amount collected to the private lender.

While the PSC is the administrator of the state's Focus on Energy program, it has no involvement in the issuance of these loans and therefore no fiscal impact would affect the PSC.

While difficult to forecast, there could be local government fiscal impact if the loans they issue or the private loans they become a part of via repayment agreements, are not repaid on time or defaulted.

Long-Range Fiscal Implications

unknown