

Fiscal Estimate Narratives
PSC 4/5/2010

LRB Number	09-4389/1	Introduction Number	SB-624	Estimate Type	Original
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