

### Fiscal Estimate - 2011 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> <b>11-2150/3</b>	<b>Introduction Number</b> <b>AB-0275</b>
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**Description**  
 authorizing the Board of Commissioners of Public Lands to make revenue obligation trust fund loans to certain municipalities, authorizing the Board of Commissioners of Public Lands to make certain investments, application requirements for certain state trust fund loans, persons authorized to execute certificates of indebtedness, and collection procedures for outstanding state trust fund loans.

**Fiscal Effect**

**State:**

No State Fiscal Effect  
 Indeterminate

<input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations	<input checked="" type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues	<input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Decrease Costs
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**Local:**

No Local Government Costs  
 Indeterminate

1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenue <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
2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	

<b>Fund Sources Affected</b>	<b>Affected Ch. 20 Appropriations</b>
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input checked="" type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	

<b>Agency/Prepared By</b> BPL/ tom german (608) 267-2233	<b>Authorized Signature</b> Tia Nelson (608) 266-8369	<b>Date</b> 10/3/2011
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**Fiscal Estimate Narratives**  
**BPL 10/3/2011**

LRB Number <b>11-2150/3</b>	Introduction Number <b>AB-0275</b>	Estimate Type <b>Original</b>
<b>Description</b> authorizing the Board of Commissioners of Public Lands to make revenue obligation trust fund loans to certain municipalities, authorizing the Board of Commissioners of Public Lands to make certain investments, application requirements for certain state trust fund loans, persons authorized to execute certificates of indebtedness, and collection procedures for outstanding state trust fund loans.		

**Assumptions Used in Arriving at Fiscal Estimate**

There will be some additional staff time required to process and administer the new revenue loans authorized under the bill. However, since the number of the new revenue loans is expected to be no more than 10% of our current loan workload, it is expected that the Agency could absorb the additional staff time requirements within the Agency's budget.

BCPL will have additional opportunities to invest trust fund principal at rates that are expected to be slightly higher than the rates for other Trust Fund Loans. This in turn is expected to produce higher distributable income for the trust funds. However, these new loans are not expected to have an impact on distributable trust fund earnings until FY 2013.

**Long-Range Fiscal Implications**

BCPL will have additional opportunities to invest trust fund principal at rates that are expected to be slightly higher than the rates for other Trust Fund Loans. This in turn is expected to produce higher distributable earnings for the trust funds in future years. However, it is not possible to predict the demand for the new loans and therefore it is not possible to estimate the long range increase in distributable earnings resulting from the legislation.