

Fiscal Estimate - 2013 Session

Original Updated Corrected Supplemental

LRB Number 13-2876/1		Introduction Number AB-0421	
Description Eligibility for disaster damage aids paid by the Department of Transportation			
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"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Create New Appropriations			
			<input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Decrease Costs
Local:			
<input checked="" type="checkbox"/> No Local Government Costs <input type="checkbox"/> 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	
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	
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		Affected Ch. 20 Appropriations	
<input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input checked="" type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.395 (1) (fs)			
Agency/Prepared By	Authorized Signature		Date
DOT/ Jesse Patchak (608) 264-9526	Stephanie LaSage (608) 267-3703		11/5/2013

Fiscal Estimate Narratives

DOT 11/5/2013

LRB Number	13-2876/1	Introduction Number	AB-0421	Estimate Type	Original
Description Eligibility for disaster damage aids paid by the Department of Transportation					

Assumptions Used in Arriving at Fiscal Estimate

The language of the bill would allow for any bridge that is classified as structurally deficient to be eligible for Disaster Damage Aids (20.395(1)(fs)). Recent estimates show that there are at least 1,200 structurally deficient bridges in the state. The average replacement of a small bridge would cost \$300,000. The potential award of Disaster Damage Aids would be at least \$360,000,000 to cure all structurally deficient bridges.

An average claim inspection for a bridge would take four working hours, with an estimated additional two working hours for completing all necessary paperwork. In addition to the inspection, there would also be an estimated two hours of claim processing that would need to occur for each claim. Taking all of this into consideration, there would be a need for one additional FTE position in the field and another additional FTE position to process the increased number of claims. This assumes a conservative 30% application rate.

The two additional FTE's would create a salary costs increase of \$104,000 annually, and an increase in fringe benefits of \$38,000. At a rate of 360 bridges per year (30%), it would take three and a third years to cure the existing structurally deficient bridges. This would create a minimum increase of approximately \$473,333 in salary and fringe benefits to cure all existing structurally deficient bridges.

Long-Range Fiscal Implications

Disaster Damage Aids is a sum-sufficient appropriation that is primarily funded through the transportation fund. If a single award is in excess of \$1,000,000, that award may be funded through the general fund. The transportation fund would not be able to absorb the estimated \$360M, which would cause a significant increase in the amount of general fund transfers needed in the future. In addition, the general fund transfers do not occur until the second year of the biennium, so the transportation fund would need to be able to absorb the entire cost of the awards until a transfer takes place.

Fiscal Estimate Worksheet - 2013 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
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Description Eligibility for disaster damage aids paid by the Department of Transportation			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes	\$473,333		\$
(FTE Position Changes)			
State Operations - Other Costs			
Local Assistance	360,000,000		
Aids to Individuals or Organizations			
TOTAL State Costs by Category	\$360,473,333		\$
B. State Costs by Source of Funds			
GPR			
FED			
PRO/PRS			
SEG/SEG-S (Transportation Fund)	360,473,333		
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)			
	Increased Rev	Decreased Rev	
GPR Taxes	\$	\$	
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
TOTAL State Revenues	\$	\$	
NET ANNUALIZED FISCAL IMPACT			
	<u>State</u>	<u>Local</u>	
NET CHANGE IN COSTS	\$360,473,333	\$	
NET CHANGE IN REVENUE	\$	\$	
Agency/Prepared By			
DOT/ Jesse Patchak (608) 264-9526		Authorized Signature	Date
		Stephanie LaSage (608) 267-3703	11/5/2013