



## Fiscal Estimate Narratives

DOR 2/6/2018

LRB Number	17-4330/1	Introduction Number	AB-0887	Estimate Type	Original
<b>Description</b> authorizing the creation of a Fox Cities regional transit authority and making appropriations					

### Assumptions Used in Arriving at Fiscal Estimate

2009 Wisconsin Act 28 authorized certain counties and municipalities to create Regional Transit Authorities (RTAs) and impose a sales tax of up to 0.5% within the authority's jurisdiction to fund transit systems. 2011 Wisconsin Act 32 removed the authority for municipalities to create RTAs and dissolved the existing transit authorities.

The bill authorizes the creation of a Fox Cities RTA with the same powers and authorities as provided to RTAs under 2009 Wisconsin Act 28. Under the bill, the Fox Cities may create an RTA if the governing body of two or more municipalities located in whole or in part within the urbanized Fox Cities metropolitan planning area adopt a resolution that is ratified by referendum at a general election. After the Fox Cities RTA is created, any municipality within the counties of Outagamie, Calumet, or Winnebago that is outside the planning area, may join the RTA if the county adopts a resolution that is ratified at a referendum and the RTA board approves the expansion of the RTA. The jurisdictional area of an RTA created under the bill is the territorial boundaries of the political subdivision (municipalities and counties) that make up the authority.

Under the bill, the RTA may adopt a sales tax of up to 0.25% that would be imposed in the authority's jurisdictional area. The Department of Revenue (DOR) would retain 1.5% of the collections to cover the department's costs of administering the tax.

Under the bill, political subdivisions that are part of the RTA may not levy property taxes for transit purposes in excess of the amount of property taxes levied for transit purposes in the year before the year in which the RTA tax is imposed.

The fiscal effect of the bill depends on the size of the RTA created and the sales tax rate adopted by the authority.

Assuming the Fox Cities RTA is created with a jurisdictional area covering the 15 municipalities that are currently part of the Fox Cities Metro Planning Area (FCMPA), the RTA imposes a 0.25% sales tax, and further assuming that the sales tax generated by the Fox Cities RTA is proportional to the FCMPA's share of the state's population, it is estimated that the Fox Cities RTA sales tax would generate approximately \$8.06 million on an annual basis. The FCMPA currently consists of the cities of Appleton, Kaukauna, Menasha, and Neenah; the villages of Combined Locks, Kimberly, and Sherwood; and the towns of Buchanan, Grand Chute, Greenville, Harrison, Kaukauna, Menasha, Neenah, and Vandenberg.

The department would incur administrative costs if the district is formed and imposes the tax.

### Long-Range Fiscal Implications

## Fiscal Estimate Worksheet - 2017 Session

Detailed Estimate of Annual Fiscal Effect

Original     
  Updated     
  Corrected     
  Supplemental

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<b>Description</b> authorizing the creation of a Fox Cities regional transit authority and making appropriations			
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>  If the RTA is eventually created and decides to impose a sales tax then there would be an impact on WINPAS of approximately \$37,000.			
<b>II. Annualized Costs:</b>		<b>Annualized Fiscal Impact on funds from:</b>	
		Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>			
State Operations - Salaries and Fringes	\$		\$
(FTE Position Changes)			
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
<b>TOTAL State Costs by Category</b>	<b>\$</b>		<b>\$</b>
<b>B. State Costs by Source of Funds</b>			
GPR			
FED			
PRO/PRS			
SEG/SEG-S			
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>			
	Increased Rev		Decreased Rev
GPR Taxes	\$		\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
<b>TOTAL State Revenues</b>	<b>\$</b>		<b>\$</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>			
	<u>State</u>		<u>Local</u>
NET CHANGE IN COSTS	\$see text		\$see text
NET CHANGE IN REVENUE	\$see text		\$see text
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	<b>Date</b>
DOR/ Travis Arthur (608) 266-8565		Robert Schmidt (608) 266-5773	2/6/2018