

Fiscal Estimate - 2017 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 17-5336/1	Introduction Number AB-0964
-----------------------------	------------------------------------

Description
 providing funding, creating an individual income tax credit, and providing a levy limit exception for lead service line replacement and making an appropriation

Fiscal Effect

State:

<input type="checkbox"/> No State Fiscal Effect	<input type="checkbox"/> Increase Existing Revenues	<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 checked="" type="checkbox"/> Indeterminate	<input type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Decrease Costs
<input type="checkbox"/> Decrease Existing Appropriations		
<input type="checkbox"/> Create New Appropriations		

Local:

<input type="checkbox"/> No Local Government Costs	5. Types of Local Government Units Affected	
<input checked="" type="checkbox"/> Indeterminate		
1. <input checked="" type="checkbox"/> Increase Costs	3. <input type="checkbox"/> Increase Revenue	<input checked="" type="checkbox"/> Towns <input checked="" type="checkbox"/> Village <input checked="" type="checkbox"/> Cities
<input checked="" type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Counties <input checked="" type="checkbox"/> Others <u>Sanitary Districts</u>
2. <input type="checkbox"/> Decrease Costs	4. <input type="checkbox"/> Decrease Revenue	<input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	

Fund Sources Affected	Affected Ch. 20 Appropriations
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input checked="" type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.155(1)(g)	

Agency/Prepared By PSC/ Jenna Schmidt (608) 267-7709	Authorized Signature Jenna Schmidt (608) 267-7709	Date 2/23/2018
--	---	--------------------------

Fiscal Estimate Narratives

PSC 2/23/2018

LRB Number	17-5336/1	Introduction Number	AB-0964	Estimate Type	Original
Description providing funding, creating an individual income tax credit, and providing a levy limit exception for lead service line replacement and making an appropriation					

Assumptions Used in Arriving at Fiscal Estimate

AB 964 provides that it is not unjust, unreasonable, insufficient, unfairly discriminatory, or preferential or otherwise unreasonable or unlawful if the water public utility increases its rates and uses the revenues from the rate increase to pay for replacing lead service lines, providing water filters, or other public health measures related to mitigating lead in residential customers' water resulting from lead service lines. To use ratepayer revenues for these purposes, the water public utility would apply to the Public Service Commission (Commission) for adjustment to its water rates, and the Commission would include in water rates the service line replacement, filter, or other costs specified in the bill.

AB 964 would likely result in an increase in the number and complexity of rate increase applications submitted to the Commission and would require additional Commission staff resources to update utility tariffs to allow use of ratepayer dollars for purposes outlined in the bill. In addition, the bill would likely increase the number of utility and customer inquiries and complaints submitted to the Commission about lead service line replacement and rate impacts. This bill will increase costs to the Commission by an estimated \$88,500 of salary, fringe and supplies related to expenditures associated with 1 FTE.

Long-Range Fiscal Implications