

### Fiscal Estimate - 2017 Session

Original     
  Updated     
  Corrected     
  Supplemental

LRB Number <b>17-4749/1</b>	Introduction Number <b>SB-785</b>
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**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:**

No State Fiscal Effect  
 Indeterminate  
 Increase Existing Appropriations     
  Increase Existing Revenues     
  Increase Costs - May be possible to absorb within agency's budget  
 Decrease Existing Appropriations     
  Decrease Existing Revenues     
   
  Yes       No  
 Create New Appropriations     
   
  Decrease Costs

**Local:**

No Local Government Costs  
 Indeterminate

1. <input checked="" type="checkbox"/> Increase Costs <input checked="" type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<b>5. Types of Local Government Units Affected</b> <input checked="" type="checkbox"/> Towns <input checked="" type="checkbox"/> Village <input checked="" type="checkbox"/> Cities <input type="checkbox"/> Counties <input checked="" type="checkbox"/> Others <u>Sanitary Districts</u> <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
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<b>Fund Sources Affected</b>	<b>Affected Ch. 20 Appropriations</b>
<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)	

<b>Agency/Prepared By</b>	<b>Authorized Signature</b>	<b>Date</b>
PSC/ Jenna Schmidt (608) 267-7709	Jenna Schmidt (608) 267-7709	2/15/2018

## Fiscal Estimate Narratives

PSC 2/15/2018

LRB Number	17-4749/1	Introduction Number	SB-785	Estimate Type	Original
<b>Description</b> 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

SB 785 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.

SB 785 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