

### Fiscal Estimate - 2019 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> <b>19-3332/1</b>	<b>Introduction Number</b> <b>AB-0279</b>
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**Description**  
 a fixed-price variable-scope contract for local bridge construction and maintenance

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

<b>Agency/Prepared By</b> DOT/ Kaleb Vander Wiele (608) 266-6479	<b>Authorized Signature</b> Joan Meier (608) 267-6978	<b>Date</b> 8/9/2019
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## Fiscal Estimate Narratives

DOT 8/9/2019

LRB Number	19-3332/1	Introduction Number	AB-0279	Estimate Type	Original
<b>Description</b> a fixed-price variable-scope contract for local bridge construction and maintenance					

### Assumptions Used in Arriving at Fiscal Estimate

The bill does not provide sufficient information to determine the full administrative impact of the proposal. The bill does not specify a funding source for the contract, which is equivalent to approximately 3.5 times the annual funding allocated to the Local Bridge Improvement Assistance Program. It is not clear if the bill is intended to replace the contracting methods for projects already approved in existing programs or additional projects that are not currently funded by the department. If the bill is intended to capture existing projects, no maintenance projects would be included. If the bill is intended to fund new projects, the department must collect and develop projects in coordination with local governments prior to the initial solicitation. It is unclear whether this process can be completed prior to the deadline specified in the bill. If the bill encompasses existing projects using federal funding in the Local Bridge Improvement Assistance Program, the department may need to seek FHWA approval to utilize the proposed contracting method.

The fiscal effect of the bill is indeterminate. The department will incur indeterminate administrative costs to develop the proposal, complete the process of awarding the contract and report the results as required by the bill. If the bill is intended to replace the contracting method for existing projects, the administrative costs could be partially offset as they would be replacing other planned project administrative activities. If the proposal is intended to fund additional projects that would require department oversight, it is likely that the cost of this oversight would be millions of dollars. To illustrate this point, the current Local Bridge Improvement Assistance Program administers \$42.8 million in state and federal funds per year, and SFY 2019 WisDOT project oversight and administration is currently estimated at \$1.0 million. The bill does not provide any funding for department oversight of the projects, and the department would not be able to charge oversight to the awarded contract.

### Long-Range Fiscal Implications