

### Fiscal Estimate - 2019 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> <b>19-2450/1</b>	<b>Introduction Number</b> <b>SB-483</b>
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**Description**  
 authorizing the creation of multijurisdictional business improvement districts, changes to public annual reports for neighborhood improvement districts, and changes to certain notifications for both types of districts

**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.  Increase Costs      3.  Increase Revenue
  - Permissive  Mandatory     
  Permissive  Mandatory
  - 2.  Decrease Costs      4.  Decrease Revenue
  - Permissive  Mandatory     
  Permissive  Mandatory
- 5. Types of Local Government Units Affected**
- Towns       Village       Cities
  - Counties       Others
  - School Districts       WTCS Districts

**Fund Sources Affected**

GPR   
  FED   
  PRO   
  PRS   
  SEG   
  SEGS

**Affected Ch. 20 Appropriations**

Agency/Prepared By	Authorized Signature	Date
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**Fiscal Estimate Narratives**  
**DOR 9/18/2019**

LRB Number <b>19-2450/1</b>	Introduction Number <b>SB-483</b>	Estimate Type <b>Original</b>
<b>Description</b> authorizing the creation of multijurisdictional business improvement districts, changes to public annual reports for neighborhood improvement districts, and changes to certain notifications for both types of districts		

**Assumptions Used in Arriving at Fiscal Estimate**

Under current law, based on the receipt of a petition from certain business or property owners, a municipality (city, village or town) may create a business improvement district (BID) or a neighborhood improvement district (NID). The creating municipality may impose special assessments on property in a BID or NID, and may appropriate money to such districts. All funds must be placed in a segregated account and spent for the benefits of the BID or NID.

The bill authorizes two or more municipalities to create a single multijurisdictional BID (MJBID). Each municipality that is part of the MJBID must impose, collect, and deposit into its own municipal treasury all special assessments or other funds that relate to properties that are located within its jurisdiction. The bill makes the financial statement and audit requirements for BIDs apply similarly to NIDs: a reviewed financial statement for cash balances less \$300,000 at any time during the year and an independent certified audit for cash balances exceeding \$300,000 at any time during the year. The bill also changes a current law requirement that certain notices be sent certified mail to 1st class mail, and allows a municipality to fulfill its notice requirements by sending only one notice to a person who owns more than one property in a BID or NID.

The fiscal estimate is indeterminate as the department does not have data on BIDs or NIDs. The bill could reduce municipal government expenditures to the extent that a financial review of an eligible NID costs less than a certified audit. The bill would also reduce postage costs related to mailing certain notices for BIDs and NIDs.

**Long-Range Fiscal Implications**