

Fiscal Estimate - 2019 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 19-3385/1	Introduction Number SB-637
Description the regulation of nonconforming buildings in a floodplain	
Fiscal Effect	
State:	
<input type="checkbox"/> No State Fiscal Effect <input checked="" type="checkbox"/> 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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Decrease Costs
Local:	
<input type="checkbox"/> No Local Government Costs <input checked="" type="checkbox"/> Indeterminate	
1. <input checked="" type="checkbox"/> Increase Costs 3. <input type="checkbox"/> Increase Revenue <input checked="" type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	5. Types of Local Government Units Affected <input type="checkbox"/> Towns <input checked="" type="checkbox"/> Village <input checked="" type="checkbox"/> Cities <input checked="" type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
Fund Sources Affected	Affected Ch. 20 Appropriations
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	
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	Date 2/3/2020

Fiscal Estimate Narratives

DNR 2/3/2020

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Description the regulation of nonconforming buildings in a floodplain					

Assumptions Used in Arriving at Fiscal Estimate

The bill specifies that if modifications made to a nonconforming building bring the building into conformity with federal floodplain standards that the Department of Natural Resources may not prohibit further modifications based on cost.

State Fiscal Effect

1. DNR would be required to work with the Federal Emergency Management Agency (FEMA) to update the Model Floodplain Ordinance, which combines the minimum state and federal standards for floodplain regulation, in accordance with the provisions of the bill. Costs related to these updates are indeterminate.
2. DNR staff works with approximately 550 communities statewide to establish and enforce floodplain zoning ordinances. Each community that modifies their ordinance works with DNR for review and approval of their modified ordinance. If a community uses the DNR Model Floodplain Zoning Ordinance to revise their local ordinance, it takes an estimated 8 hours of DNR staff time per ordinance. If a community revises their ordinance without using the DNR Model Floodplain Zoning ordinance, it takes an estimated 17 hours of DNR staff time per ordinance. The total state cost for this action is indeterminate because it is unknown how many communities will revise their ordinance and for the communities that revise their ordinance, how many communities will use the Model Ordinance or their own ordinance.
3. In addition to the time estimated above for the review of ordinance updates and amendment adoption, this bill would have an impact on DNR staff related to analysis for policy staff and legal team and educational efforts related to the changes. It would require statewide outreach, guidance, fact sheets, etc. The overall cost associated with these efforts is indeterminate.
4. The State of Wisconsin's current higher standards discourage significant expansion of the size and use of existing non-conforming structures to avoid increasing and extending safety risks in high flood risk areas. This bill would encourage structures within extremely dangerous high risk flooding areas without dryland access. The potential costs to the state would be tied to the response during a flood and for assistance to the community and property owner with their recovery from the flood. The increased costs associated with this effort are indeterminate.

Local Fiscal Effect

1. Local communities would need to amend their ordinances to reflect the changes. This will be a cost to the community as ordinance amendments require a Class 2 notice, public hearing, and would include the community's staff time to complete this process. The cost for this process would be indeterminate because the knowledge and skill sets of each community vary greatly.
2. Communities realize a tremendous savings in flood response and reduction in losses for their investments when more restrictive floodplain standards are utilized. The additional tax base that would be generated from more floodplain properties would be offset by costs incurred by communities when dealing with flooding. Based on this, with more properties in the floodplain at lower levels, costs to local communities related to emergency flood response and rescue, infrastructure repair after flooding, and flood recovery would increase by an indeterminate amount.

Long-Range Fiscal Implications