



Fiscal Estimate Narratives

DOR 1/8/2024

LRB Number	<b>23-4754/1</b>	Introduction Number	<b>AB-0854</b>	Estimate Type	<b>Original</b>
<b>Description</b> replacing the expenditure restraint incentive program with a municipality payment program and making an appropriation					

**Assumptions Used in Arriving at Fiscal Estimate**

The bill ends payment to qualifying municipalities for the expenditure restraint incentive program (ERIP) in 2023, and it creates the municipality payment program beginning in 2024. Under the municipality payment program, a municipality qualifies based on receiving an expenditure restraint incentive payment in 2021, 2022, and 2023. Under the bill, a municipalities payment is equal to the highest expenditure restraint incentive program payment received during the period from 2021 through 2023.

Under the bill, based on the highest ERIP payments for the period of 2021 through 2023, payments for the municipal payment program are estimated at \$65.50 million, a \$7.35 million increase over the \$58.15 million in ERIP payments. 420 municipalities would receive a payment under the municipal payment program, with a median payment of \$24,400. The median payment for the top ten recipients would be \$2.11 million.

The department has \$42,600 in one-time administrative costs for computer programming changes.

**Long-Range Fiscal Implications**

## Fiscal Estimate Worksheet - 2023 Session

Detailed Estimate of Annual Fiscal Effect

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> <b>23-4754/1</b>	<b>Introduction Number</b> <b>AB-0854</b>	
<b>Description</b> replacing the expenditure restraint incentive program with a municipality payment program and making an appropriation		
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>  \$42,600		
<b>II. Annualized Costs:</b>	<b>Annualized Fiscal Impact on funds from:</b>	
	Increased Costs      Decreased Costs	
<b>A. State Costs by Category</b>		
State Operations - Salaries and Fringes (FTE Position Changes)	\$	\$
State Operations - Other Costs		
Local Assistance	7,353,200	
Aids to Individuals or Organizations		
<b>TOTAL State Costs by Category</b>	<b>\$7,353,200</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>		
GPR		
FED		
PRO/PRS	7,353,200	
SEG/SEG-S		
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>		
	Increased Rev	Decreased Rev
GPR Taxes	\$	\$
GPR Earned		
FED		
PRO/PRS		
SEG/SEG-S		
<b>TOTAL State Revenues</b>	<b>\$</b>	<b>\$</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>		
	<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS	\$7,353,200	\$
NET CHANGE IN REVENUE	\$	\$
<b>Agency/Prepared By</b> <b>Authorized Signature</b> <b>Date</b>		
DOR/ Craig Steinfeldt (608) 266-5705	Cari Redington (608) 266-2943	1/8/2024