

Fiscal Estimate Narratives

INV 3/7/2006

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| LRB Number | 05-1209/1 | Introduction Number | AB-1089 | Estimate Type | Original |
| Description Creating a local airport district and authorizing the creation of local airport districts; authorizing the Board of Commissioners of Public Lands to make loans to a county that contains a 1st class city; and authorizing the Investment Board to make loans to a county that contains a 1st class city from the state investment fund | | | | | |

Assumptions Used in Arriving at Fiscal Estimate

AB 1089 authorizes SWIB to invest in bonds issued by a local airport district from any of the funds under its management. The bill also authorizes the State Investment Fund (SIF) to make loans to a county that contains a first class city (currently only Milwaukee County) to cover any operating shortfall the county may have. The loans may not exceed 120 days. This bill will have no fiscal effect on SWIB's operating budget. If SWIB finds that it is in the fiduciary interest of the funds and purchases bonds from a local airport district or makes short term loans to Milwaukee County, any costs incurred will be charged back to the funds. Likewise, any monies earned from the investments will also be applied to the individual fund.

SWIB has no way to determine what fiscal effect the bill might have on a local airport district or Milwaukee County.

Long-Range Fiscal Implications