

## Fiscal Estimate - 2005 Session

Original      
  Updated      
  Corrected      
  Supplemental

<b>LRB Number</b> <b>05-4173/1</b>	<b>Introduction Number</b> <b>AB-936</b>
<b>Description</b> Repealing reporting requirements related to area cooperation compacts	
<b>Fiscal Effect</b>	
<b>State:</b>	
<input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate	
<input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget	
<input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Yes <input type="checkbox"/> No	
<input type="checkbox"/> Create New Appropriations <input checked="" type="checkbox"/> Decrease Costs	
<b>Local:</b>	
<input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate	
1. <input type="checkbox"/> Increase Costs                      3. <input type="checkbox"/> Increase Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
2. <input checked="" type="checkbox"/> Decrease Costs                      4. <input type="checkbox"/> Decrease Revenue	
<input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
5. Types of Local Government Units Affected	
<input checked="" type="checkbox"/> Towns <input checked="" type="checkbox"/> Village <input checked="" type="checkbox"/> Cities	
<input type="checkbox"/> Counties <input type="checkbox"/> Others	
<input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts	
<b>Fund Sources Affected</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>Affected Ch. 20 Appropriations</b>	
<b>Agency/Prepared By</b>	<b>Authorized Signature</b>
DOR/ Daniel Huegel (608) 266-5705	Paul Ziegler (608) 266-5773
<b>Date</b>	
1/31/2006	

## Fiscal Estimate Narratives

DOR 1/31/2006

LRB Number	05-4173/1	Introduction Number	AB-936	Estimate Type	Original
<b>Description</b> Repealing reporting requirements related to area cooperation compacts					

### Assumptions Used in Arriving at Fiscal Estimate

Under current law, a municipality in a federal standard metropolitan statistical area (SMSA) must enter into an area cooperation compact with at least two municipalities or counties in the same SMSA to perform at least two governmental services. An area cooperation compact must provide a plan for the collaborative delivery of services, benchmarks to measure plan progress, and outcome-based performance measures to evaluate the plan. In addition, the compacts must be structured to achieve significant savings for taxpayers. A municipality subject to the law must annually certify to the Department of Revenue that they are in compliance with the law. The Legislative Audit Bureau must annually prepare a report on the performance of area cooperation compacts and submit copies to the chief clerk of the Assembly and Senate.

Under the bill, the annual compliance certification by municipalities to the Department of Revenue and the preparation of an annual report by the Legislative Audit Bureau on area cooperation compacts are repealed.

The repeal of the annual compliance certification would reduce costs to the Department of Revenue by a minimal amount, primarily related to postage and processing of returned reports.

For municipalities, the repeal would reduce costs by a small amount. Municipalities would, however, still be required to enter into cooperation agreements.

The effect of the bill on costs for the Legislative Audit Bureau are discussed in the fiscal note prepared by the Bureau.

### Long-Range Fiscal Implications