Fiscal Estimate - 2005 Session

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LRB	Number	05-3335/1		Introd	luction Nu	umber S	B-366	
Subje Air bra								
Fiscal	Effect							
[No State Fisc Indeterminate Increase E Appropriat Decrease Appropriat Create Ne	Existing iions Existing	Reve Decre Reve	ease Existing	to	ncrease Costs absorb withi Yes recrease Cos	in agency	
	No Local Gov Indeterminate 1. Increase Permiss 2. Decrease	e Costs sive Mandato	3. Increa	ase Revenue issive Man ease Revenue issive Man	Gío datory	rpes of Local overnment Ur Towns [Counties [School [Districts	nits Affect Village Others WTCS District	Cities
Fund GI	Sources Affe		PRS 🛚	SEG 🔲 SE	Affecte GS 20.395 (d Ch. 20 App (3)(eq)	oropriatio	ons
Agend	cy/Prepared I	Ву		Authorized S	ignature			Date
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Fiscal Estimate Narratives DOT 1/3/2006

LRB Number	05-3335/1	Introduction Number	SB-366	Estimate Type	Original
Subject					
Air brakes					

Assumptions Used in Arriving at Fiscal Estimate

- 1. Assume municipalities will request approximately 100 signs to prohibit truck engine brakes on freeways and expressways as a result of this bill.
- 2. Assume the department is financially responsible for the installation of the signs and the signs themselves.
- 3. Each sign and installation costs \$300. The initial cost for 100 signs is therefore \$30,000. There is a 10% overhead cost per year to deal with signs knocked down, vandalized or damaged by weather. This would also include administrative costs to deal with the signs. Assuming a 3% inflation rate for construction/maintenance, these costs would be \$2,571.43 at the end of the first year and \$6085.71 at the end of the tenth year. The total overhead cost for 100 signs summed for all ten years would be \$40,971.43.

Long-Range Fiscal Implications

There is a significant fiscal effect at the state level. Signs and their installation will be paid by the department. The initial cost would be \$30,000 and the total overhead cost over the ten year period would be \$40,971.43. With normal wear, signs must be replaced every 10 years. If it is assumed the inflation rate for construction/maintenance averages 3% per year, the cost to replace the 100 signs at that time will be \$40,317.43. This also assumes no additional new requests for signs are made over the 10 year period.

Fiscal Estimate Worksheet - 2005 Session

Detailed Estimate of Annual Fiscal Effect

X	Original	10	Updated		Corrected		Supplemental		
LRB	Number	05-3335/	/1	Intro	duction Nu	umber	SB-366		
Subje	ct								
Air bra	ıkes								
		or Revenue I	mpacts for	State and/o	Local Gover	rnment (d	o not include in		
annua	lized fiscal	effect):							
Each s	sign and insta	allation costs S	\$300. The ini	tial cost for 1	00 signs is th	erefore \$3	30,000 for the		
depart	ment.Since t mpact at the	he bill directs	the departme	ent to erect a	and maintain th	he signs, t	here is no major		
	nualized Cos				Annualized Fiscal Impact on funds from:				
II. AIII	idanized ood	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,			Increased Co				
A. Sta	te Costs by	Category			,				
		s - Salaries an	d Fringes			\$			
(FT	E Position Ch	nanges)							
Stat	e Operations	s - Other Costs	S		4,0	97			
Loc	al Assistance)							
Aids	s to Individua	ls or Organiza	ations						
Т	OTAL State	Costs by Cat	tegory		\$4,0	097	\$		
B. Sta	te Costs by	Source of Fu	ınds						
GPI	R								
FE)								
PR	PRO/PRS								
SEG/SEG-S (20.395)					097				
III. Sta reven	ate Revenue ues (e.g., ta	s - Complete x increase, d	this only wl ecrease in li	nen proposa cense fee, e	al will increas ets.)	se or deci	rease state		
					Increased F	Rev	Decreased Rev		
GP	R Taxes					\$	\$		
GP	R Earned								
FEI)								
PR	O/PRS								
	G/SEG-S					_	_		
יוון	OTAL State					\$	\$		
			NET ANNUA	LIZED FISC	AL IMPACT	total	Local		
	21141105 111	00000				<u>tate</u> 097	<u>Local</u> \$		
NET CHANGE IN COSTS NET CHANGE IN REVENUE				Φ4,	\$	\$			
NEI	JHANGE IN	NEVENUE	•			Ψ	Ψ		
Agen	cy/Prepared	Ву		Authorized	Signature		Date		
1			DOT/ Richard Moss (608) 267-7830 Julie Jo				12/30/2005		