

Fiscal Estimate Narratives

DOT 3/3/2008

LRB Number	07-3488/1	Introduction Number	SB-413	Estimate Type	Original
Description Markers for military memorial highways and bridges					

Assumptions Used in Arriving at Fiscal Estimate

Part (1) of the bill: Currently, there are 18 such military designations for state trunk highways and bridges. These designations have 110 signs, 78 on freeways. With the bill, the department would reduce the number of signs to two per military designation, for a total of 36 signs for the 18 existing military designations. If one assumes an increase to 10 new designations per year if the designations cost nothing for the sponsors and if each designation has two signs, there would be 20 new signs in the initial year for the 10 new designations. This with the 36 signs for the existing designations would mean $36 + 20 = 56$ signs in the initial year of the new law. Assume signs to cost \$400 per unit. Therefore, the cost in the initial year would be $56 \text{ signs} \times \$400/\text{sign} = \$22,400$.

Part (2) involves maintaining the markers. Assume again, there will be 10 new designations per year or $10 \times 2 = 20$ signs. Over a ten year period, there would therefore be $20 \text{ signs/year} \times 10 \text{ years} = 200$ signs. Add this to the 56 signs and there would be $56 + 200 \text{ signs} = 256$ signs. Ongoing costs for a ten year period would therefore be $256 \text{ signs} \times \$400/\text{sign} = \$242,400$. Divide by 10 years to get an annualized cost and this becomes \$24,240.

Long-Range Fiscal Implications

Costs would be approximately \$24,240 annually.

Fiscal Estimate Worksheet - 2007 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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Description Markers for military memorial highways and bridges		
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):		
<p>Part (1) of the bill: Currently, there are 18 such military designations for state trunk highways and bridges. These designations have 110 signs, 78 on freeways. With the bill, the department would reduce the number of signs to two per military designation, for a total of 36 signs for the 18 existing military designations. If one assumes an increase to 10 new designations per year if the designations cost nothing for the sponsors and if each designation has two signs, there would be 20 new signs in the initial year for the 10 new designations. This with the 36 signs for the existing designations would mean 36 + 20 =56 signs in the initial year of the new law. Assume signs to cost \$400 per unit. Therefore, the cost in the initial year would be 56 signs x \$400/sign= \$22,400.</p>		
II. Annualized Costs:		
	Annualized Fiscal Impact on funds from:	
	Increased Costs Decreased Costs	
A. State Costs by Category		
State Operations - Salaries and Fringes	\$	\$
(FTE Position Changes)		
State Operations - Other Costs	24,240	
Local Assistance		
Aids to Individuals or Organizations		
TOTAL State Costs by Category	\$24,240	\$
B. State Costs by Source of Funds		
GPR		
FED		
PRO/PRS		
SEG/SEG-S (20.395 (3)(eq))	24,240	
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)		
	Increased Rev	Decreased Rev
GPR Taxes	\$	\$
GPR Earned		
FED		
PRO/PRS		
SEG/SEG-S		
TOTAL State Revenues	\$	\$
NET ANNUALIZED FISCAL IMPACT		
	State	Local
NET CHANGE IN COSTS	\$24,240	\$
NET CHANGE IN REVENUE	\$	\$
Agency/Prepared By	Authorized Signature	Date

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