

Fiscal Estimate Narratives

DNR 3/18/2013

LRB Number	13-0819/2	Introduction Number	AB-0064	Estimate Type	Original
Description Costs of replacement or relocation of certain municipal utility facilities required by the construction of a freeway and eligibility for the safe drinking water loan program					

Assumptions Used in Arriving at Fiscal Estimate

The bill adds joint local water authorities to the group of local governmental units eligible to participate in the safe drinking water loan program, thus enabling them to apply for Safe Drinking Water Loan Program funding as a singular entity instead of multiple entities within the joint local water authority.

The Department estimates that the bill will impact a minimal number of local units of government.

Local Fiscal Impact

By streamlining the application process, the Department estimates reduced costs for municipalities within a water authority due to the following:

1. Individual loan applications will not be needed from each municipality, reducing the time/paperwork in submitting all of the required documentation for a loan.
2. Municipalities will not need to pay individual bond counsel closing costs – the authority will have one closing and pay the associated closing costs for that one project.
3. The Authority will be responsible for bidding and contracting – thus streamlining contract activities.

State Fiscal Impact

The Department anticipates minimal cost savings that would be achieved by:

1. Reducing the amount of paperwork to be reviewed by project managers.
2. Fewer disbursement transactions.
3. Fewer steps to determine portions of projects allocated to each municipality.

Long-Range Fiscal Implications