

Fiscal Estimate - 2017 Session

Original Updated Corrected Supplemental

LRB Number 17-2097/1		Introduction Number AB-0078		
Description lead service line replacements				
Fiscal Effect				
State:				
<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"/> Decrease Existing Appropriations		<input type="checkbox"/> Decrease Existing Revenues		
<input type="checkbox"/> Create New Appropriations		<input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget		
		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
<input type="checkbox"/> Decrease Costs				
Local:				
<input type="checkbox"/> No Local Government Costs				
<input type="checkbox"/> Indeterminate				
1. <input checked="" type="checkbox"/> Increase Costs		3. <input type="checkbox"/> Increase Revenue		
<input checked="" type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		
2. <input type="checkbox"/> Decrease Costs		4. <input type="checkbox"/> Decrease Revenue		
<input type="checkbox"/> Permissive <input 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 type="checkbox"/> Counties		<input type="checkbox"/> Cities		
<input type="checkbox"/> School Districts		<input checked="" type="checkbox"/> Others <u>sanitary districts</u>		
<input type="checkbox"/> WTCS Districts				
Fund Sources Affected		Affected Ch. 20 Appropriations		
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS				
Agency/Prepared By		Authorized Signature		Date
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Fiscal Estimate Narratives

PSC 3/2/2017

LRB Number	17-2097/1	Introduction Number	AB-0078	Estimate Type	Original
Description lead service line replacements					

Assumptions Used in Arriving at Fiscal Estimate

AB 78 provides that it is not unjust, unreasonable, insufficient, unfairly discriminatory, or preferential or otherwise unreasonable or unlawful for a water public utility to provide financial assistance to a customer for private infrastructure improvements with the purpose of replacing service lines containing lead. To do so, the city, town or village in which the water public utility operates would enact an ordinance allowing the financial assistance to be provided, and the Public Service Commission (Commission) would include in water rates the cost of providing the financial assistance.

AB 78 would likely result in an increase in the number and complexity of rate increase applications submitted to the Commission to recover costs associated with providing financial assistance. This bill would likely also result in additional Commission staff resources required to update utility tariffs to allow financial assistance to be provided for private infrastructure improvements, as well as increase the number of utility and customer inquiries and complaints submitted to the Commission about lead service line replacements and rate impacts. AB 78 may also increase construction applications to the Commission if the financial assistance consists of water public utilities directly constructing infrastructure.

This bill will increase costs to the Commission by an estimated \$88,500 of salary, fringe and supplies related to expenditures associated with 1 FTE.

The fiscal impact of AB 78 at the local level is indeterminate, as expenditures on lead service line replacement will be optional and determined at the local government level.

Long-Range Fiscal Implications

indeterminate