

Fiscal Estimate - 2017 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 17-4050/1
 Introduction Number AB-0001 (AU7)

Description
 authorizing the creation of an electronics and information technology manufacturing zone, making changes to the enterprise zone tax credit program, authorizing limited use of the design-build construction process, granting contingent highway bonding authority, and making appropriations

Fiscal Effect

State:

No State Fiscal Effect
 Indeterminate
 Increase Existing Appropriations
 Increase Existing Revenues
 Increase Costs - May be possible to absorb within agency's budget
 Decrease Existing Appropriations
 Decrease Existing Revenues
 Yes No
 Create New Appropriations
 Decrease Costs

Local:

No Local Government Costs
 Indeterminate

1. Increase Costs 3. Increase Revenue
 Permissive Mandatory
 Permissive Mandatory
 2. Decrease Costs 4. Decrease Revenue
 Permissive Mandatory
 Permissive Mandatory

5. Types of Local Government Units Affected
 Towns Village Cities
 Counties Others
 School Districts WTCS Districts

Fund Sources Affected **Affected Ch. 20 Appropriations**
 GPR FED PRO PRS SEG SEGS

Agency/Prepared By	Authorized Signature	Date
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Fiscal Estimate Narratives

DOT 8/4/2017

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Assumptions Used in Arriving at Fiscal Estimate

17-4050/1 authorizes contingent general obligation (G.O.) bonding up to \$252,400,000 for the purpose of funding the I-94 north-south corridor project, as defined in s. 84.0145 (3)(b)1, Wis. Stats. The bill specifies that the Wisconsin Department of Transportation (WisDOT) may not expend the proceeds of these G.O. bonds unless WisDOT receives an award of federal funding for the I-94 north-south corridor project.

The bill creates a sum sufficient debt service appropriation, funded from the general fund, to pay the debt service on the contingent G.O. bonds. The Department of Administration (DOA) manages general obligation bond sales and provides general purpose revenue (GPR) debt service estimates. Assuming all \$252,400,000 in G.O. bonds are issued over five fiscal years, from FY2018 through FY2022, DOA estimates that total GPR debt service (principal and interest) paid from FY2019 through FY2042 would be \$408,323,603, based on the following assumptions:

- All bonds are sold with 20 year maturities.
- The assumed interest rate is 5.0%.

Debt service during the FY2017-19 biennium is estimated at \$2,941,952 GPR.

Long-Range Fiscal Implications

If all \$252,400,000 in GO bonds are issued during FY2018 through FY2022, DOA estimates the total debt service paid from FY2019 through FY2042 will be \$408,323,603 GPR.