

### Fiscal Estimate - 2023 Session

Original       Updated       Corrected       Supplemental

<b>LRB Number</b> <b>23-4398/1</b>		<b>Introduction Number</b> <b>AB-0438</b>	
<b>Description</b> : baseball park district administration and funding for improvement of professional baseball park facilities			
<b>Fiscal Effect</b>			
<b>State:</b>			
<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 checked="" type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Create New Appropriations		<input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget	
		<input type="checkbox"/> Yes <input type="checkbox"/> No	
<input type="checkbox"/> Decrease Costs			
<b>Local:</b>			
<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 type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory		<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
2. <input type="checkbox"/> Decrease Costs		4. <input checked="" type="checkbox"/> Decrease Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		<input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory	
5. Types of Local Government Units Affected			
<input type="checkbox"/> Towns		<input type="checkbox"/> Village	
<input checked="" type="checkbox"/> Counties		<input checked="" type="checkbox"/> Cities	
<input type="checkbox"/> School Districts		<input type="checkbox"/> WTCS Districts	
<b>Fund Sources Affected</b>		<b>Affected Ch. 20 Appropriations</b>	
<input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS			
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	
DOR/ Travis Arthur (608) 266-8565		Robert Schmidt (608) 266-5773	
		<b>Date</b>	
		10/4/2023	

## Fiscal Estimate Narratives

DOR 10/4/2023

LRB Number	23-4398/1	Introduction Number	AB-0438	Estimate Type	Original
<b>Description</b> : baseball park district administration and funding for improvement of professional baseball park facilities					

### Assumptions Used in Arriving at Fiscal Estimate

The bill exempts the following from the sales and use tax: 1) tangible personal property and taxable services sold to a district and 2) building materials, supplies, and equipment sold to owners, contractors, subcontractors, or builders solely for the improvement, repair, or maintenance of a professional sports and entertainment home stadium.

#### Baseball District Purchases

The fiscal effect is indeterminate, but is expected to be minimal.

#### Building Materials, Supplies and Equipment

Using project cost data from the CAA ICON Facility Condition Assessment Peer Review and construction industry data from the 2017 Economic Census (latest available), the department estimates forgone average annual sales and use tax revenue of \$420,000. The total forgone sales and use tax revenue across the entire project (2023-2040) is estimated to be \$7.6 million. These figures are in FY22 dollars. The forgone revenue may differ to the extent project cost and/or scope differ from the CAA ICON review or economic conditions change. Ultimate costs would depend on when projects are completed, projects can continue through 2050 and beyond.

Assuming the entirety of taxable transactions related to the project are sourced within the City of Milwaukee, forgone city sales tax (2.0%) would be \$84,000 on an average annual basis. Forgone Milwaukee County sales tax (0.9%) would be \$76,000.

#### Local Government Payments

Under the bill, beginning in 2024 through 2050, Milwaukee County shall deposit \$5,000,000 into the baseball park facilities improvement fund, and the City of Milwaukee shall deposit \$2,500,000. If either local government fails to make the full deposit by July 1, the Department of Revenue shall reduce the supplemental county and municipal aid payment and direct the Department of Administration to pay the baseball park facilities improvement fund. Based on 2024 supplemental county and municipal payment estimates, Milwaukee County will receive a \$7,578,837.51 and the City of Milwaukee will receive \$21,749,099.70.

### Long-Range Fiscal Implications

## Fiscal Estimate Worksheet - 2023 Session

Detailed Estimate of Annual Fiscal Effect

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  Updated
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<b>Description</b> : baseball park district administration and funding for improvement of professional baseball park facilities		
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>		
<b>II. Annualized Costs:</b>		
	<b>Annualized Fiscal Impact on funds from:</b>	
	Increased Costs                      Decreased Costs	
<b>A. State Costs by Category</b>		
State Operations - Salaries and Fringes	\$	\$
(FTE Position Changes)		
State Operations - Other Costs		
Local Assistance		
Aids to Individuals or Organizations		
<b>TOTAL State Costs by Category</b>	<b>\$</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>		
GPR		
FED		
PRO/PRS		
SEG/SEG-S		
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>		
	Increased Rev	Decreased Rev
GPR Taxes	\$	\$
GPR Earned		
FED		
PRO/PRS		
SEG/SEG-S		
<b>TOTAL State Revenues</b>	<b>\$</b>	<b>\$</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>		
	<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS	\$	\$
NET CHANGE IN REVENUE	\$See Text	\$See Text
<b>Agency/Prepared By</b>		
<b>Authorized Signature</b>		<b>Date</b>
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		10/4/2023