

## ADMINISTRATIVE RULES Fiscal Estimate & Economic Impact Analysis

1. Type of Estimate and Analysis <input checked="" type="checkbox"/> Original <input type="checkbox"/> Updated <input type="checkbox"/> Corrected		2. Date
3. Administrative Rule Chapter, Title and Number (and Clearinghouse Number if applicable) PI 15, Revenue Limit Exemptions for Energy Efficiencies		
4. Subject Changes to PI 15 as a result of 2017 Wisconsin Act 59		
5. Fund Sources Affected <input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEG-S	6. Chapter 20, Stats. Appropriations Affected	
7. Fiscal Effect of Implementing the Rule <input type="checkbox"/> No Fiscal Effect <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Increase Costs <input type="checkbox"/> Decrease Costs <input checked="" type="checkbox"/> Indeterminate <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Could Absorb Within Agency's Budget		
8. The Rule Will Impact the Following (Check All That Apply) <input type="checkbox"/> State's Economy <input type="checkbox"/> Specific Businesses/Sectors <input checked="" type="checkbox"/> Local Government Units <input type="checkbox"/> Public Utility Rate Payers <input type="checkbox"/> Small Businesses (if checked, complete Attachment A)		
9. Estimate of Implementation and Compliance to Businesses, Local Governmental Units and Individuals, per s. 227.137 (3) (b) 1., Stats. \$0		
10. Would Implementation and Compliance Costs Businesses, Local Governmental Units and Individuals Be \$10 Million or more Over Any 2-year Period, per s. 227.137 (3) (b) 2., Stats.? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
11. Policy Problem Addressed by the Rule This rule change will align PI 15 to recent changes in statute as a result of 2017 Wisconsin Act 59, the 2017-19 biennial budget. The changes set forth in this rule order provide that school districts may levy for and expend funds for costs associated with an energy efficiency project, in an amount no greater than the maximum levy specified in the resolution, without incurring additional revenue limit penalties by the Department. As such, school boards are given flexibility under this rule change to expend costs in an amount less than the amount specified in the resolution in any given year.		
12. Summary of the Businesses, Business Sectors, Associations Representing Business, Local Governmental Units, and Individuals that may be Affected by the Proposed Rule that were Contacted for Comments None.		
13. Identify the Local Governmental Units that Participated in the Development of this EIA None.		
14. Summary of Rule's Economic and Fiscal Impact on Specific Businesses, Business Sectors, Public Utility Rate Payers, Local Governmental Units and the State's Economy as a Whole (Include Implementation and Compliance Costs Expected to be Incurred) State:  No fiscal impact.  Local:  Current law generally limits the total amount of revenue per pupil a school district may receive from general school aids and property taxes in a school year to the amount of revenue received per pupil in the previous school year. However, there are several exceptions ("exemptions") to the revenue limit. For example, school boards were authorized under prior law to adopt a resolution to exceed the school district's revenue limit in any school year by an		

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amount spent by the school district in that school year on a project to implement energy efficiency measures or to purchase energy efficiency products if the energy efficiency project is governed by a performance contract.

Since then, Act 59 modified the statutes governing the revenue limit exemption for energy efficiencies and prohibited school boards from considering a resolution to utilize the revenue limit exemption for energy efficiencies after December 31, 2017, until December 30, 2018. This rule change will better implement the statutes as modified by Act 59 and eliminate barriers for school boards in carrying out resolutions that were passed before the enactment of Act 59. For example, school boards may be allowed under this rule change to expend funds associated with an energy efficiency project in an amount no greater than the maximum levy specified in the resolution and will allow a school board to expend costs in an amount less than the amount specified in the resolution in any given year without incurring a revenue limit penalty. However, the Department is not able to anticipate how many school boards may take advantage of this change; therefore, the fiscal impact to school districts as a result of this rule is indeterminate.

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15. Benefits of Implementing the Rule and Alternative(s) to Implementing the Rule

This rule will have the effect of giving additional flexibility to school boards that have passed energy efficiency resolutions prior to the enactment of Act 59, thereby allowing school boards to spend less and efficiently use the maximum authority allowed under the resolution. Otherwise, the rule will not be consistent with current law and school boards would be required to spend up to the resolution amounts in accordance with the current rule.

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16. Long-Range Implications of Implementing the Rule

Rule and agency practice will be consistent with the statutes as modified by 2017 Wisconsin Act 59.

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17. Compare With Approaches Being Used by Federal Government

N/A

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18. Compare With Approaches Being Used by Neighboring States (Illinois, Iowa, Michigan and Minnesota)

Since revenue limits and their applicable exemptions are a unique function of the school funding system in Wisconsin, there are no comparable rules or programs governing revenue limit exemptions for energy efficiency projects that exist in adjacent states, based on the Department's review.

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19. Contact Name

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20. Contact Phone Number

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