

**Fiscal Estimate — 1999 Session**

- Original       Updated  
 Corrected       Supplemental

LRB Number -1447/1	Amendment Number if Applicable
Bill Number AB0799	Administrative Rule Number

Subject  
Uniform Unclaimed Property Law

**Fiscal Effect**

State:  No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.

- Increase Existing Appropriation       Increase Existing Revenues  
 Decrease Existing Appropriation       Decrease Existing Revenues  
 Create New Appropriation

Increase Costs — May be possible to absorb within agency's budget.

- Yes       No

Decrease Costs

Local:  No Local Government Costs

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

5. Types of Local Governmental Units Affected:

- Towns       Villages       Cities  
 Counties       Others \_\_\_\_\_  
 School Districts       WTCS Districts

Fund Sources Affected

- GPR       FED       PRO       PRS       SEG       SEG-S

Affected Chapter 20 Appropriations  
20.585

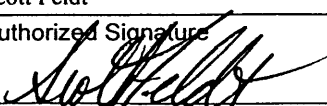
**Assumptions Used in Arriving at Fiscal Estimate**

Present statutory language in sec 177.17(4), Stats. provides for biennial reporting by holders of unclaimed property. AB 799 proposes to change this holder disclosure to an annual reporting schedule. Recent historical records reflect approximately 3000 holder reports are processed by the Treasury on a biennial basis. The processing procedure includes not only preparing and mailing approximately 10,000 holder report kits, entering raw data on a property tracking software system, but also codifying each account, numbering each page of the report, preparing for microfiche copying, and other labor-intensive tasks. The Unclaimed Property Unit has experienced a serious lack of staff resources for the reporting process and the associated increased demand for property claim forms and has utilized LTE staff to process the reports in a timely manner. The fiscal estimate provides for the addition of two program support staff and workstation related expenses to absorb the doubling of the reporting process. An additional consideration to this request was an ever increasing number of holder reports being submitted due to enhanced awareness by holders of their responsibility to report and remit unclaimed property to the Treasury. A related expenditure in the estimate is the proposed annual publication of reported unclaimed property, and reflects the cost of preparing printing "slicks" and publishing these lists in at least 72 newspapers, as required by sec. 177.18, Stats. The size of this publication continues to increase each year.

The attached sheet outlines the fiscal estimate for FY01 and FY 02. The Treasury estimates total biennial costs to total over \$520,000 due to increased staffing needs and publishing costs.

**Long-Range Fiscal Implications**

See attached Document

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**Costs of Annual Reporting of Abandoned Property**  
 (See Assembly Bill 799 Sec. 177.17(4), Stats.)

Program Assistant 3 (2 FTE positions) Salary/Fringe Benefits

Salary	24,900	
Fringes	<u>9,562</u>	
	34,462	X 2 FTE positions 68,924

Salary costs per fiscal year \$ 68,924

Salary costs per bienium (\$68,924X 2) \$137,848

Related Expenses (1 time outlay)

Workstation	4,000	
Computer/software	3,000	
Chair		500
Telephone		300
Supplies/Services	<u>1,000</u>	
	8,800	X 2 FTEs <u>17,600</u>

Total Biennial Salary & Related Expenses \$155,448

**Costs of Annual Publication of Reported Properties**  
 (72 county publications)

Publication costs per year (est.)	\$180,780
Staff time to compile data & oversee publication supervisory function--\$7,360 (320 hours @ \$23/hr)	<u>1,840</u>
	\$182,620

\$182,620 X 2 = \$365,240 (per bienium)

	<u>FY2001</u>	<u>FY2002</u>	<u>FY01-02</u>
Salary	68,924	68,924	137,848
Expenses	17,600	0	17,000
Publication Costs	<u>182,620</u>	<u>182,620</u>	<u>365,240</u>
<b>TOTALS</b>	<b>269,144</b>	<b>251,544</b>	<b>520,688</b>

### **Long Range Fiscal Implications**

AB 799 also has provisions affecting the value of unredeemed gift certificates reported to the state (sec. 177.02) dormancy charges imposed against an owner for failure to claim property in a timely manner (sec. 177.09), and the state's liability to pay interest up to 18% on certain interest-bearing accounts (sec. 177.21). Available information precludes this office's ability to identify and calculate the long-term fiscal impact of these and other modifications to the current statutory language without software modifications and additional staff training.