

<b>1999 Session</b>		LRB Number <b>99-4219/4</b>
<b>FISCAL ESTIMATE</b> DOA-2048 N(R06/99)		Bill Number <b>AB 849</b>
<input checked="" type="checkbox"/> ORIGINAL <input type="checkbox"/> UPDATED <input type="checkbox"/> CORRECTED <input type="checkbox"/> SUPPLEMENTAL		Amendment No. if Applicable
<b>Subject</b>  <b>Rental Purchase Companies</b>		Administrative Rule Number
<b>Fiscal Effect</b> State: <input type="checkbox"/> No State Fiscal Effect Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.		
<input type="checkbox"/> Increase Existing Appropriation <input checked="" type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Appropriation <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Create New Appropriation		<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		
1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenues <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenues <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	5. Types of Local Governmental Units Affected: <input type="checkbox"/> Towns <input type="checkbox"/> Villages <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others _____ <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
<b>Fund Sources Affected</b> <input type="checkbox"/> GPR <input type="checkbox"/> FED <input checked="" type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEG-S		<b>Affected Chapter 20 Appropriations</b> <b>20.144(1)(g)</b>
<b>Assumptions Used in Arriving at Fiscal Estimate</b>  <p><b>This bill exempts rental purchase companies from the rights and remedies provided by the Wisconsin Consumer Act (WCA) and creates a registration process for these companies.</b></p> <p><b>The Department estimates that there are approximately 30 companies that will fall under this new chapter and that among those companies, there are about 100 locations. The maximum fee paid by a company is \$750, based on the number of locations. Many companies will not have the maximum number of locations. We estimate that total registration revenue will be approximately \$4,000 annually. Other than travel expenses for out of state exams, there is no provision for recovery of examination costs.</b></p> <p><b>Costs associated with administering this bill, include approximately 1.00 position to handle processing of registrations, performing compliance examinations, programming and system maintenance, and responding to inquiries and complaints. Based on an average examiner position salary (\$37,000) plus fringe benefits (36%), salaries and fringe total \$50,300.</b></p> <p><b>The bill provides for the examination of these companies, but does not specify when they are to occur. Currently, the Department performs desk exams of its licensed companies. New business types generally require more on site visits. Depending on the location of companies examined and necessity of visiting branch locations, it is difficult to estimate travel costs, but a reasonable estimate, without extensive out of state travel, would be approximately \$2,000 annually. Other estimated supply costs of \$500 would be attributed to administering this new type of company.</b></p>		
<b>Long-Range Fiscal Implications</b>		
<b>Prepared by:</b> <b>Susan Dietzel</b>	<b>Telephone No.</b> <b>267-0399</b>	<b>Agency</b> <b>DFI</b>
<b>Authorized Signature:</b> <i>Susan Dietzel</i>	<b>Telephone No.</b>	<b>Date</b> <b>3/7/2000</b>

**FISCAL ESTIMATE WORKSHEET**

Detailed Estimate of Annual Fiscal Effect  
DOA-2047 (R06/99)

**1999 Session**

- ORIGINAL       UPDATED  
 CORRECTED       SUPPLEMENTAL

LRB Number <b>99-4219/4</b>	Amendment No. if Applicable
Bill Number <b>AB 849</b>	Administrative Rule Number

**Subject**

**Rental Purchase Companies**

**I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):**

II. Annualized Costs:		Annualized Fiscal impact on State funds from:	
		Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>			
State Operations - Salaries and Fringes		\$ 50,300	\$ -
(FTE Position Changes)		(1.0 FTE)	(- FTE)
State Operations - Other Costs		2,500	-
Local Assistance			-
Aids to Individuals or Organizations			-
TOTAL State Costs by Category		\$ 52,800	\$ -
<b>B. State Costs by Source of Funds</b>			
GPR		\$	\$ -
FED			-
PRO/PRS		52,800	-
SEG/SEG-S			-
<b>State Revenues</b>	Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)	<b>Increased Rev.</b>	<b>Decreased Rev.</b>
GPR Taxes		\$	\$ -
GPR Earned		500	-
FED			-
PRO/PRS		3,500	-
SEG/SEG-S			-
TOTAL State Revenues		\$ 4,000	\$ -

**NET ANNUALIZED FISCAL IMPACT**

	STATE	LOCAL
NET CHANGE IN COSTS	\$ 52,800	\$
NET CHANGE IN REVENUES	\$ 4,000	\$

Prepared by: <b>Susan Dietzel</b>	Telephone No. <b>267-0399</b>	Agency <b>DFI</b>
Authorized Signature: <i>Susan Dietzel</i>	Telephone No.	Date <b>3/7/00</b>