

ORIGINAL

UPDATED

CORRECTED

SUPPLEMENTAL

LRB # LRB-3853/4

INTRODUCTION # SB 358

Admin. Rule #

Subject

Transfer of Animal Health Laboratory from DATCP to UW System

Fiscal Effect

State: No State Fiscal Effect

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

Increase Costs - May be possible to Absorb Within Agency's Budget Yes No

Increase Existing Appropriation

Increase Existing Revenues

Decrease Existing Appropriation

Decrease Existing Revenues

Create New Appropriation

Decrease Costs

Local: No local government costs

1. Increase Costs
 Permissive Mandatory

3. Increase Revenues
 Permissive Mandatory

5. Types of Local Governmental Units Affected:

2. Decrease Costs
 Permissive Mandatory

4. Decrease Revenues
 Permissive Mandatory

Towns Villages Cities

Counties Others _____

School Districts WTCS Districts

Fund Sources Affected

GPR FED PRO PRS SEG SEG-S

Affected Ch. 20 Appropriations

Assumptions Used in Arriving at Fiscal Estimate:

Senate Bill 358 transfers the animal health laboratories and their employees from the Department of Agriculture, Trade and Consumer Protection (DATCP) to the University of Wisconsin System on July 1, 2000. The bill also authorizes 18 additional positions for the laboratories and creates a veterinary laboratory board, attached to the UW System, to oversee the laboratories.

The economic health of Wisconsin agriculture depends heavily on the ability to export products around the world. A common characteristic of international trade agreements is the requirement that exporting agents be able to provide official, verifiable data to demonstrate the absence of, or incident rate of, specific animal diseases. The acceptability of disease incidence and quality assurance data from a private, non-governmental laboratory to our international trading partners is low.

Within Wisconsin, there is no counterpart to the Laboratory. The School of Veterinary Medicine was directed and funded from its conception to avoid duplication of activities of other state agencies, including the Laboratory. The design and size of the Veterinary School's physical plant and equipment, and the level of staffing simply do not allow the school to fulfill the functions of the Wisconsin Animal Health Laboratory. Consequently, a complete transfer of assets is required. This transfer preserves the availability of critical services to the state and its agricultural business community and complements UW System functions and mission. It is therefore, supported by UW System.

The transfer will result in an increase in UW System costs of \$6,390,100 and 80.5 full time equivalent positions. All but approximately \$200,000 of those costs and 18 positions will be directly off set by reductions at DATCP. This fiscal estimate does not include classified employee compensation increases that are still being negotiated between the Department of Employee Relations and employee unions. Additional detail is found in the fiscal estimate worksheet and DATCP's fiscal estimate for this bill.

Long-Range Fiscal Implications:

Prepared By: / Phone # / Agency Name
University of Wisconsin System

Authorized Signature / Telephone No.

Nathan Peter (ASK)

2-6423

Date
2/04/00

FISCAL ESTIMATE WORKSHEET

Detailed Estimate of Annual Fiscal Effect

1999 Session

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Subject

Transfer of Animal Health Laboratory from DATCP to UW System

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
A. State Costs by Category		
State Operations - Salaries and Fringes	\$4,267,100	\$ -
(FTE Position Changes)	(80.5 FTE)	(- FTE)
State Operations - Other Costs	2,123,000	-
Local Assistance		-
Aids to Individuals or Organizations		-
TOTAL State Costs by Category	\$6,390,100	\$ -
B. State Costs by Source of Funds		
GPR	\$4,267,100	\$ -
FED		-
PRO/PRS	\$2,123,00	-
SEG/SEG-S		-
State Revenues Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)	Increased Rev.	Decreased Rev.
GPR Taxes	\$	\$ -
GPR Earned		-
FED		-
PRO/PRS		-
SEG/SEG-S		-
TOTAL State Revenues	\$	\$ -

NET ANNUALIZED FISCAL IMPACT

	STATE	LOCAL
NET CHANGE IN COSTS	\$ 6,390,100	\$
NET CHANGE IN REVENUES	\$	\$

Prepared By: / Phone # / Agency Name University of Wisconsin System	Authorized Signature/Telephone No. <i>Ruthen Peters (ASK)</i> 2-6423	Date 2/04/00
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