

Fiscal Estimate Narratives

COMM 1/7/2004

LRB Number 03-3361/3	Introduction Number AB-705	Estimate Type	Original
Subject			
Technology commercialization initiative			

Assumptions Used in Arriving at Fiscal Estimate

This bill creates within the Department the Technology Commercialization Grant and Loan Program, and adds a biennial appropriation funded at \$5,300,000 in each year of the biennium. Under this bill, the Department is authorized to make various grants or loans to individuals or businesses for the purposes of enabling those individuals or businesses to further commercialize technologies and to obtain additional financing through awards from federal agencies or from venture or angel investors. The bill creates four different grant or loan programs administered by the Department which have certain criteria to define eligibility and award size. The bill also authorizes the Department to create by rule, additional criteria that further defines the program. In addition, the Department may annually grant up to \$500,000 to entrepreneurial and technology transfer centers to aid entrepreneurs and small businesses with commercializing their technologies and obtaining funding.

The bill authorizes the Department to add an additional 2.0 FTE to administer the program, and provides the Department with \$100,000 GPR in FY 04 and \$200,000 GPR in FY 05 to pay for the anticipated costs of those positions. The Department will most likely utilize the funding provided under this bill to create 2.0 FTE Economic Development Consultant positions. These positions will assist entrepreneurs and small businesses to develop federal funding applications, to enable them to secure matching funds for federal grants enhancing their chances of competing successfully for awards, and to help them match private sector funding in order to access the needed angel or venture capital for start-up firms to grow and develop. Finally, it proposes \$60,000 in funding for workshops, conferences and materials to assist and promote an increased participation by Wisconsin entrepreneurs and businesses in federal funding programs, as well as in gaining access to other public and private funding sources. The Department estimates that the additional positions and funding authorized under this bill will be sufficient to administer the program.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2003 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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Subject			
Technology commercialization initiative			
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 funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes		\$113,000	
(FTE Position Changes)		(2.0 FTE)	
State Operations - Other Costs		87,000	
Local Assistance			
Aids to Individuals or Organizations		5,300,000	
TOTAL State Costs by Category		\$5,500,000	\$
B. State Costs by Source of Funds			
GPR		5,500,000	
FED			
PRO/PRS			
SEG/SEG-S			
III. 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		\$5,500,000	\$
NET CHANGE IN REVENUE		\$	\$
Agency/Prepared By		Authorized Signature	Date
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