

Fiscal Estimate - 2005 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 05-4216/1	Introduction Number SB-665	
Description A market development program for agricultural products		
Fiscal Effect		
<p>State:</p> <div style="display: flex; justify-content: space-between;"> <div style="width: 30%;"> <input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations </div> <div style="width: 30%;"> <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues </div> <div style="width: 30%;"> <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <div style="display: flex; justify-content: space-around; font-size: small;"> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No </div> <input type="checkbox"/> Decrease Costs </div> </div>		
<p>Local:</p> <div style="display: flex; justify-content: space-between;"> <div style="width: 30%;"> <input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate 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 </div> <div style="width: 30%;"> 3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory </div> <div style="width: 30%;"> <p>5. Types of Local Government Units Affected</p> <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts </div> </div>		
<p>Fund Sources Affected Affected Ch. 20 Appropriations</p> <input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.115(3)(a)		
Agency/Prepared By DATCP/ Linda Merriman Hitchman (608) 224-5132	Authorized Signature Barb Knapp (608) 224-4746	Date 3/30/2006

Fiscal Estimate Narratives

DATCP 3/31/2006

LRB Number 05-4216/1	Introduction Number SB-665	Estimate Type Original
Description A market development program for agricultural products		

Assumptions Used in Arriving at Fiscal Estimate

SB 665 would direct DATCP to administer the Wisconsin First Program by promoting a Wisconsin identify for farm-raised food and encouraging institutions to purchase Wisconsin-produced food. The Division of Agricultural Development would coordinate this program within its Bureau of Ag Market Development, national/state marketing group. Existing resources would permit only very limited implementation. To carry out the intent of the bill new staff and website development resources would be required. In addition, state grant assistance to local food groups and institutions would be needed. Existing programs would be expanded in two areas:

1. Create a Buy Wisconsin/Buy Local branding and promotion program which would provide technical market development and promotional assistance to businesses (grocery stores, restaurants, hotels, etc), local tourism groups, farmers and others in promoting Wisconsin-grown and produced food products.
2. Create a Supply Chain assistance program which would provide technical assistance to local governments, school districts and other public organizations to encourage their purchase of local foods, and to farmers groups, coops etc. to assist them to address the distribution and uniformity issues that are necessary to provide local foods to institutions.

Costs and staffing for these two programs:

- * 2.0 ag market development consultants - \$132,000 annually (2 staff @ 2080 hours @ \$22/hour+ fringe each)
- * Website upgrade and expansion to the existing SavorWisconsin.com website and additions and linkages to partner websites \$127,500 (1500 hours @ \$85/hour) - one-time
- * Website maintenance - \$25,500 (300 hours @ \$85/hour)on-going
- * Promotional matching grants to assist local food/tourism groups to promote locally grown food and products through local and regional markets and events - \$100,000 (20 grants @ \$5,000)
- * Supply chain matching grants to assist farmers groups, coops, etc. to meet suppliers needs and to provide seed grants to institutions to assist with local purchases - \$100,000 (20 grants @ \$5,000)
- * Publications - \$10,000 (brochures,
- * Postage - \$3,000
- * Supplies - \$20,000
- * Travel - \$5,000 (1-2 trips per week for each staff person to assist institutions and food groups across the state - estimated at 100 trips @ \$50/trip)

Total one time costs = \$127,500

Total ongoing costs = \$395,500 per year

Long-Range Fiscal Implications

To fully implement this program it is anticipated that grant assistance to local groups and institutions would be necessary for a minimum of 6-8 years. Administrative staff would be ongoing. Therefore long-range fiscal implications are for a continuation of annual costs at an estimated \$395,500.

Fiscal Estimate Worksheet - 2005 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

LRB Number 05-4216/1		Introduction Number SB-665	
Description A market development program for agricultural products			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): Website upgrade: \$127,500			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes		\$132,000	
(FTE Position Changes)		(2.0 FTE)	
State Operations - Other Costs		63,500	
Local Assistance			
Aids to Individuals or Organizations		200,000	
TOTAL State Costs by Category		\$395,500	\$
B. State Costs by Source of Funds			
GPR		395,500	
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		\$395,500	\$
NET CHANGE IN REVENUE		\$	\$
Agency/Prepared By			
DATCP/ Linda Merriman Hitchman (608) 224-5132		Authorized Signature	
		Barb Knapp (608) 224-4746	
			Date
			3/30/2006