



## Fiscal Estimate Narratives

DATCP 5/10/2006

LRB Number	05-4696/2	Introduction Number	SB-723	Estimate Type	Original
<b>Description</b> The motor vehicle fuel tax imposed on gasoline that contains at least 85 percent ethanol, prohibiting charging an excessive price for gasoline that contains at least 85 percent ethanol, prohibiting discrimination against a retailer of gasoline that contains at least 85 percent ethanol, granting rule-making authority, and providing a penalty					

### Assumptions Used in Arriving at Fiscal Estimate

This fiscal estimate relates only to Sections 9 and 10 of SB-723. These sections respectively prohibit discrimination by a refiner or wholesaler of motor vehicle fuel against a retailer who offers fuel with 85% ethanol and prohibits selling motor vehicle fuel containing 85% ethanol at an excessive price. This fiscal estimate does not address other portions of this bill that relate to taxation of fuel containing 85% ethanol.

The bill requires DATCP to promulgate a rule to implement and administer the prohibition against selling fuel containing 85% ethanol at an excessive price. DATCP estimates it would take roughly 0.5 FTE to draft the rule, prepare related documents, hold hearings, etc. This 0.5 FTE would require roughly \$37,500.

Further, this bill requires DATCP to take on new regulatory responsibilities. DATCP is currently charged with investigating and enforcing somewhat related regulations under s. 100.51, Wis. Stats. and ATCP 102, Subchapter III, Wis. Adm. Code. DATCP generally investigates or enforces these laws and rules only when we receive complaints. We anticipate treating the new regulations proposed in SB-723 similarly. DATCP expects to receive only a minimal number of complaints under SB-723. However, any investigations or enforcement actions arising from the discrimination prohibition (proposed s. 100.515) would likely be complex and technical, and would likely require substantial resources. Therefore, DATCP anticipates dedicating about 0.33FTE to this program on an annual basis. This 0.33 FTE would require about \$25,000.

### Long-Range Fiscal Implications

DATCP estimates an annual increased costs of about \$25,000 per year. See the discussion above.

## Fiscal Estimate Worksheet - 2005 Session

Detailed Estimate of Annual Fiscal Effect

Original     
  Updated     
  Corrected     
  Supplemental

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<b>Description</b> The motor vehicle fuel tax imposed on gasoline that contains at least 85 percent ethanol, prohibiting charging an excessive price for gasoline that contains at least 85 percent ethanol, prohibiting discrimination against a retailer of gasoline that contains at least 85 percent ethanol, granting rule-making authority, and providing a penalty			
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b> \$37,500 for 0.5 FTE staff time to develop and promulgate an administrative rule.			
<b>II. Annualized Costs:</b>		<b>Annualized Fiscal Impact on funds from:</b>	
		Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>			
State Operations - Salaries and Fringes		\$25,000	
(FTE Position Changes)		(0.3 FTE)	
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
<b>TOTAL State Costs by Category</b>		<b>\$25,000</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>			
GPR		25,000	
FED			
PRO/PRS			
SEG/SEG-S			
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>			
		Increased Rev	Decreased Rev
GPR Taxes		\$	\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
<b>TOTAL State Revenues</b>		<b>\$</b>	<b>\$</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>			
		State	Local
NET CHANGE IN COSTS		\$25,000	\$
NET CHANGE IN REVENUE		\$	\$
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	<b>Date</b>
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