

Fiscal Estimate Narratives

DNR 7/9/2007

LRB Number	07-2127/2	Introduction Number	AB-0422	Estimate Type	Original
Description Issuing annual vehicle admission receipts for motor buses for entry to state parks and other vehicle admission areas under the jurisdiction of the Department of Natural Resources					

Assumptions Used in Arriving at Fiscal Estimate

Bill Summary: AB 422 requires that the Department issue annual stickers for motor buses entering certain state parks, forests and natural areas and sets fees for these stickers, including a fee for each additional sticker issued for a motor bus owned by the same business or entity. Under current law, the Department may only issue daily admission stickers for motor buses. The fees established by the bill for the annual stickers are \$300 for a resident motor bus and \$50 for each additional motor bus owned by the same company, and \$450 for a non-resident motor bus, and \$50 for each additional motor bus owned by the same company.

Fiscal Effect: The Department assumes the vast majority of operators who buy daily stickers do not intend to make 30 or more repeat visits to Department properties, and therefore would likely not purchase an annual admission sticker. However, the Department would likely issue annual stickers to certain motor bus tour operators who make repeat trips to certain properties. Based on an analysis of data from a two year period, the Department was only able to identify one tour bus company operator that made more than 30 annual visits to Department properties, and that one resident operator of a motor bus tour company purchased, on average, 235 daily stickers per year. Assuming that one operator would purchase an annual admission sticker (and one additional resident annual sticker) rather than paying 235 daily fees, based on the fees specified in the bill, the Department would experience an annual net reduction in revenue of approximately \$2,000 under the bill. This would include a revenue decrease of \$2,350 (235 motor bus visits X \$10 daily admission fee) and a revenue increase of \$350 (assuming \$300 for one resident annual motor bus admission sticker + \$50 for one additional resident annual sticker).

The Department would incur both one-time and ongoing administrative expenses to fulfill the requirements of AB 422. The Department anticipates the need to update its public information to reflect the addition of a new annual motor bus sticker, including its visitor guide, Internet site, and all printed fee materials. Should the implementation date of the bill require the Department to issue a special printing of visitor guides that include the new annual sticker prior to the time a periodic update would occur, the one-time costs in the first year for a special printing are estimated to be \$18,200. This includes approximately \$16,000 in printing costs for the visitor guide, \$1,000 to update all Internet-related materials, and \$1,200 to update all signage and printed materials at all affected state parks, forests and natural areas, as well as updating internal remittance forms and operating manuals. However, should the date of implementation be delayed until the Department updates its materials on a normal replacement basis, the one-time costs related to a special reprinting of the visitor guide would not be incurred.

The Department estimates annual costs of approximately \$1,000 under the provisions of this bill. These costs include approximately \$750 in additional programming costs to annually update the Department's on-line sticker management database, and an additional \$250 in sticker printing, mailing and remittance costs to accommodate the two new admission stickers authorized by the bill.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2007 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

LRB Number 07-2127/2		Introduction Number AB-0422	
Description Issuing annual vehicle admission receipts for motor buses for entry to state parks and other vehicle admission areas under the jurisdiction of the Department of Natural Resources			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): \$18,200 if the Department were to update visitor guides through a special reprinting to include information on the new annual sticker.			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes		\$	\$
(FTE Position Changes)			
State Operations - Other Costs		1,000	
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category		\$1,000	\$
B. State Costs by Source of Funds			
GPR			
FED			
PRO/PRS			
SEG/SEG-S		1,000	
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			-2,000
TOTAL State Revenues		\$	\$-2,000
NET ANNUALIZED FISCAL IMPACT			
		State	Local
NET CHANGE IN COSTS		\$1,000	\$
NET CHANGE IN REVENUE		\$-2,000	\$
Agency/Prepared By		Authorized Signature	Date
DNR/ Joe Polasek (608) 266-2794		Joe Polasek (608) 266-2794	7/9/2007