

Fiscal Estimate - 2009 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 09-2140/3	Introduction Number AB-0261	
Description Soliciting purchases of goods or services using unsolicited checks or money orders and providing a penalty		
Fiscal Effect		
State:		
<input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs		
Local:		
<input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs 3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 5. Types of Local Government Units Affected <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		
Fund Sources Affected Affected Ch. 20 Appropriations		
<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(1)(a)		
Agency/Prepared By	Authorized Signature	Date
DATCP/ Michelle Reinen (608) 224-5160	Bill Walker (608) 224-4353	6/17/2009

Fiscal Estimate Narratives

DATCP 6/17/2009

LRB Number	09-2140/3	Introduction Number	AB-0261	Estimate Type	Original
Description Soliciting purchases of goods or services using unsolicited checks or money orders and providing a penalty					

Assumptions Used in Arriving at Fiscal Estimate

This bill would prohibit soliciting the purchase of goods or services by the delivery to a recipient in this state of a document that is or appears to be a check or money order payable to the recipient, if the endorsement of the document purports to bind the recipient to purchasing goods or services and the recipient did not request the delivery of the document.

Currently, the department does not specifically track this business practice, however we are aware that the practice does exist and we have received consumer calls and consumer complaints on this issue. In addition, the department has conducted investigations into consumer complaints about unfair billing practices only to discover that the transaction was initiated by a "cash-the-check" scheme. In one of those cases, the department received over 50 written complaints from consumers against the business. Therefore, it is assumed, as with any new area of law, written consumer complaints would increase to at least 500 written complaints a year.

The bill would authorize the department to take specific enforcement action on the complaints received against this business practice. As each complaint takes approximately 1 hour to mediate and every 50 to 100 complaints typically results in an investigation, it is assumed the department would need 0.5 FTE to handle the increase in workload and enforcement responsibilities.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2009 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

LRB Number 09-2140/3		Introduction Number AB-0261	
Description Soliciting purchases of goods or services using unsolicited checks or money orders and providing a penalty			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): Office setup, desks, telephones, computers and supplies \$10,000.			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes	\$21,800		\$
(FTE Position Changes)	(0.5 FTE)		
State Operations - Other Costs	7,100		
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category	\$28,900		\$
B. State Costs by Source of Funds			
GPR	28,900		
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	\$28,900		\$
NET CHANGE IN REVENUE	\$		\$
Agency/Prepared By		Authorized Signature	Date
DATCP/ Michelle Reinen (608) 224-5160		Bill Walker (608) 224-4353	6/17/2009