

Fiscal Estimate Narratives

DATCP 5/9/2013

LRB Number	13-1788/1	Introduction Number	AB-0172	Estimate Type	Original
Description Prohibition on telephone solicitations to residential customers, granting rule-making authority, and making an appropriation					

Assumptions Used in Arriving at Fiscal Estimate

This bill replaces the state No Call non-solicitation registry with the Wisconsin portion of the national Do Not Call registry. Telephone solicitors would be prohibited from making solicitations, as defined by state law, to Wisconsin residential landline and wireless telephone numbers on the national registry. Residential telephone customers who wish to be on the Wisconsin No Call list would need to register with the Federal Trade Commission (FTC). Listings on the national registry are permanent and no renewals are required. Otherwise, state law continues to apply and consumers may file complaints with the department. The bill requires the department to publicize the new registration procedure for residential customers. The new law would take effect on the first day of the fourth month beginning after publication.

This bill ends the requirement that the department maintain its own state No Call non-solicitation registry. Currently, the department contracts with a vendor to perform this work, which includes maintenance of the registry, managing the No Call website and phone system, and signing up registrants. The department expects that with implementation of the new law it would terminate its contract with the vendor. Any future registrations would be directed to the FTC, which is responsible for maintaining the federal registry. The department would update its website and internal phone system to direct new registrations to the FTC.

The FTC does not charge states to merge the residential telephone numbers on their registries with the federal registry; however, the department's vendor estimates that it will cost \$15,000 to \$18,000 to transfer data to the FTC and transition the registration system. The department anticipates that this amount can be absorbed.

The department expects that there will be a transition period to implement this new law; however, it assumes that any associated costs can be absorbed. The department will publicize the new registration procedure and conduct outreach to educate the public. It will also contact telephone solicitors to inform them about the new requirements. The department will need to train staff to mediate complaints and conduct investigations using the federal registry. It will also be necessary to update state No Call program printed materials. Finally, the department plans to initiate rulemaking to bring its administrative rule in conformity with statute.

DATCP anticipates that, in the long term, this bill would result in decreased annual costs because the state would no longer incur the cost of maintaining the Wisconsin No Call non-solicitation registry. The cost of maintaining this list is approximately \$190,000 per year, plus occasional additional costs for updates. However, the timing for when the reduced cost will be realized is dependent on the relationship between the eventual effective date of this bill and the renewal date for DATCP's contract with its vendor.

Long-Range Fiscal Implications