

Fiscal Estimate - 2019 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 19-0116/1	Introduction Number AB-0331	
Description : the dates for which an annual vehicle admission receipt or an annual state trail pass are valid		
Fiscal Effect		
State: <input type="checkbox"/> No State Fiscal Effect <input checked="" type="checkbox"/> Indeterminate <div style="display: flex; justify-content: space-between;"> <div style="width: 30%;"> <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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No </div> <input type="checkbox"/> Decrease Costs </div> </div>		
Local: <input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate <div style="display: flex; justify-content: space-between;"> <div style="width: 30%;"> <p>1. <input type="checkbox"/> Increase Costs</p> <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory </div> <div style="width: 30%;"> <p>3. <input type="checkbox"/> Increase Revenue</p> <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> <div style="display: flex; justify-content: space-between;"> <div style="width: 30%;"> <p>2. <input type="checkbox"/> Decrease Costs</p> <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory </div> <div style="width: 30%;"> <p>4. <input type="checkbox"/> Decrease Revenue</p> <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory </div> </div>		
Fund Sources Affected	Affected Ch. 20 Appropriations	
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input checked="" type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.370 (1)(mu)		
Agency/Prepared By	Authorized Signature	Date
DNR/ Paul Neumann (608) 266-0818	Paul Neumann (608) 266-0818	9/18/2019

Fiscal Estimate Narratives

DNR 9/18/2019

LRB Number	19-0116/1	Introduction Number	AB-0331	Estimate Type	Original
Description : the dates for which an annual vehicle admission receipt or an annual state trail pass are valid					

Assumptions Used in Arriving at Fiscal Estimate

Under this bill, the validity of an annual state park and forest vehicle admission pass or a state trail pass would change from a calendar year to a 12-month period from the date of purchase.

Under current law, admission and trails passes are valid only during the calendar year for which they are purchased. Department staff are able to identify the validity of the current calendar year pass by its color, whereas under the proposed date of purchase pass, staff would have to mark each pass when it is sold to reflect the date of purchase and would need additional time to check the validity of the pass upon park entrance or during other enforcement checks.

Fiscal Effect

A. State Park & Forest Admission Passes

1. Cost Estimate

a. The change to a dated sticker valid for one year from the date of purchase would result in minimal additional expenses from the current system. The only change to the printing of the sticker itself would be to add printing of months on one side of the sticker and dates on another part. A hole punch would be used to mark the month and date of purchase on each sticker, the sticker would then expire one year from that punched date. Other state park systems utilize a similar system for their admission stickers.

b. There would be some additional, but minimal, printing costs to add the month/date printing on the annual pass, and the current printing contract would need to be revised accordingly. The department estimates an additional cost of \$3,000/year in additional printing expenses. There may be an indeterminate, one-time penalty for re-bidding an existing printing contract for the vehicle admission pass, which has a distinct multi-year printing contracts currently in place.

c. There would be an increase in staff time to mark each sticker sold and to provide an explanation to the customer of the new expiration date. The department estimates that an additional 864 hours would be necessary to mark the proposed stickers, for a cost of \$15,984 (estimated average salary and fringe of \$18.50/hour).

d. There may also be an increase in staff time to more closely inspect each sticker upon entrance to the park to confirm the sticker is valid. The department estimates that an additional 2,778 hours in additional time to properly check the validity of the proposed stickers at a cost of \$51,400.

e. Total additional costs are estimated at \$70,400/year.

2. Revenue Estimate

It is unknown how the proposed changes will affect sales of admissions stickers. It may be more likely for a visitor coming to a property during the fall to buy an annual pass instead of a daily pass with the proposed change. An increase in annual pass sales during the fall would result in less daily pass sales, and could increase revenue by an indeterminate amount. It is assumed that over time, sales of admissions stickers would be more consistent throughout the year rather than front-loaded at the beginning of the outdoor recreational season.

B. State Trail Passes

1. Cost Estimate

There would be minimal impact upon trail operations with this proposed change. Unlike most park entrances, the department does not have staff at trail entrances to ensure that everyone that uses the trail has a valid pass. The department does currently perform spot checks of trail users to ensure that users have a valid trail pass. This would continue under the proposed change, but the pass check will likely take longer because there would be no visual color cue on the pass that would easily and quickly demonstrate its validity. Under the proposed change, staff would continue checking for trail passes but now would have to stop each user to check the issue date on each pass. The proposed bill would make an enforcement check longer and thus limit the number of spot checks that could be performed.

There may be an indeterminate penalty for re-bidding an existing printing contract for the state trail pass, which has a distinct multi-year printing contract currently in place.

2. Revenue Estimate

Due to the lower amount of trail enforcement pass checks, it is expected that there will be less pressure on trail users to purchase annual trail passes, which would lead to an indeterminate reduction in trail pass revenue for the Parks Account.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2019 Session

Detailed Estimate of Annual Fiscal Effect

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LRB Number 19-0116/1		Introduction Number AB-0331	
Description : the dates for which an annual vehicle admission receipt or an annual state trail pass are valid			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
There may be indeterminate one-time costs for re-bidding an existing printing contract for both the vehicle admission pass and the state trail pass. Both have multi-year printing contracts currently in place.			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes	\$67,400		\$
(FTE Position Changes)			
State Operations - Other Costs	3,000		
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category	\$70,400		\$
B. State Costs by Source of Funds			
GPR			
FED			
PRO/PRS			
SEG/SEG-S	70,400		
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			
	<u>State</u>	<u>Local</u>	
NET CHANGE IN COSTS	\$70,400		\$
NET CHANGE IN REVENUE	\$		\$
Agency/Prepared By		Authorized Signature	Date
DNR/ Paul Neumann (608) 266-0818		Paul Neumann (608) 266-0818	9/18/2019