

Fiscal Estimate - 2019 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 19-3048/1	Introduction Number SB-264	
Description changes to the electronic waste recycling program and granting rule-making authority		
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 checked="" type="checkbox"/> Decrease Existing Revenues <input checked="" type="checkbox"/> Yes <input 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 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 (4)(hr)		
Agency/Prepared By DNR/ Paul Neumann (608) 266-0818	Authorized Signature Paul Neumann (608) 266-0818	Date 6/18/2019

Fiscal Estimate Narratives

DNR 6/18/2019

LRB Number	19-3048/1	Introduction Number	SB-264	Estimate Type	Original
Description changes to the electronic waste recycling program and granting rule-making authority					

Assumptions Used in Arriving at Fiscal Estimate

The bill makes changes to the electronic waste (e-waste) recycling program.

Fiscal Effect

1. Revenues

The main fiscal impact comes from a change to the tiered annual registration fees paid by electronics manufacturers to the DNR. The current law has three manufacturer registration fee levels, based on the units of covered electronics sold to Wisconsin households and schools during a program year: \$0, \$1,250 and \$5,000. The bill would change the ranges for the number of units sold under which each of these fee levels would apply.

- \$0 fee: current law is fewer than 25 units sold; bill would adjust to fewer than 250 units
- \$1,250 fee: current law is 25 to 249 units sold; bill would adjust to 250 to 499 units
- \$5,000 fee: current law is 250 or more units sold; bill would adjust to 500 or more units

There would be a reduction in e-waste revenue from manufacturers in the 25 to 249 units category, since under the proposed thresholds those manufacturers would no longer pay a fee. For FY 2019, there are 39 manufacturers in this category, paying \$1,250 each for a total of \$48,750. This compares with 33 manufacturers in this category in FY2018, 28 in FY2017 and 35 in FY2016. Based on the assumption of about 39 manufacturers per year in this category, each paying a \$1,250 fee, annual revenues are estimated to decrease by \$48,750 (\$1,250 x 39).

There would be additional, but indeterminate, revenue loss from manufacturers that sell between 250 and 500 units, since under the bill they would pay an annual fee of \$1,250 instead of the current fee of \$5,000. Since the DNR does not have data on the specific number of units each manufacturer sells, there is no reliable way to estimate this additional revenue loss.

2. Costs

Because more manufacturers have registered than originally estimated when the law was passed in 2009, the Department does not expect the bill and the corresponding revenue loss to have a significant effect on core work.

The law does not add significant workload or long-term costs for the DNR; however, because electronic reporting forms would need to be updated, there would be one-time costs for IT work to make those updates during the first 1-2 years of implementation. A rough estimate of the additional costs is \$13,500 in FY2020 and \$5,000 in FY2021 (assuming the changes need to go into effect for the 2020 reporting).

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2019 Session

Detailed Estimate of Annual Fiscal Effect

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Description changes to the electronic waste recycling program and granting rule-making authority			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): \$13,500 in FY 2020 and \$5,000 in FY 2021 for IT updates			
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		
	Local Assistance		
	Aids to Individuals or Organizations		
	TOTAL State Costs by Category	\$	\$
B. State Costs by Source of Funds			
	GPR		
	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		-48,800
	TOTAL State Revenues	\$	\$-48,800
NET ANNUALIZED FISCAL IMPACT			
		<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS		\$	\$
NET CHANGE IN REVENUE		\$-48,800	\$
Agency/Prepared By		Authorized Signature	Date
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