

Fiscal Estimate Narratives

DNR 5/11/2021

LRB Number	21-2357/1	Introduction Number	AB-0161	Estimate Type	Original
Description the disability rating at which veterans qualify for certain hunting and fishing authorizations and exemptions from state park and trail admission fees					

Assumptions Used in Arriving at Fiscal Estimate

I. Bureau of Customer & Outreach Services

The bill establishes that a Wisconsin resident disabled veteran with a service-connected disability of 50% or greater or who is individually unemployable may purchase a conservation patron license for \$65 instead of the regular \$165 fee. In addition, it decreases the required minimum disability rating from 70 percent to 50 percent to purchase a reduced fee (\$3) annual fishing license.

Decreasing the minimum disability rating percentage required to purchase the resident disabled veteran annual fishing license increases the number of resident veterans eligible for this approval at the discounted fee.

A. State Fiscal Impact: Revenue

The most recent data available from the U.S. Department of Veteran Affairs shows in 2019 there were 36,962 Wisconsin resident veterans receiving compensation for a 50 percent or greater service-connected disability and 25,711 Wisconsin resident veterans receiving compensation for a 70 percent or greater service-connected disability. These numbers indicate 11,251 more veterans will be newly eligible to purchase the reduced fee fishing license for \$3 rather than \$20.

Assuming the disabled veteran population with a 50% disability rating will continue to purchase the reduced fee fishing license at the same rate as the disabled veteran population with a 70% disability rating has in recent years (13.8%), the department can expect to sell approximately 1,500 more discounted fishing licenses per year.

The same 36,962 resident veterans with a 50 percent disability rating would be newly eligible to purchase a conservation patron license for the reduced fee of \$65 rather than \$165.

Revenue would decrease by \$100 (\$165 - \$65) for each qualifying resident disabled veteran that purchased the reduced fee Conservation Patron license who would have otherwise purchased the included approvals at full-price. Similarly, revenue would decrease by \$17 (\$20 - \$3) for each disabled veteran fishing license sold to newly eligible resident disabled veterans that would have otherwise purchased an annual fishing license at full price. However, the fiscal impact is ultimately indeterminate, as the department cannot predict the discounted products disabled resident veterans may purchase nor does the department have the capacity to analyze disabled veteran historical buying behavior since we do not currently maintain disability ratings within customer accounts.

B. State Fiscal Impact: One-Time Costs

1. Modifying licensing system: 40 hrs. * \$50/hour (average business analyst rate plus applicable fringe) = \$2,000

2. Updating web pages, agent resources and public communication materials: 32 hrs. development * \$50/hr. (average policy advisor rate plus applicable fringe) = \$1,600

3. Training Customer Service Representatives (CSR) staff:
[20 hrs. training development * \$50/hr. (average policy advisor rate plus applicable fringe)] + [1 hr. * 100 CSRs * \$24/hr. (average CSR rate plus applicable fringe)] = \$3,400

4. Total one-time implementation costs = \$7,000

II. State Parks and Forests

A. Assumptions

1. Due to the uncertainty of long-term demand and temporary changes to business functions in 2020 during the COVID-19 pandemic, estimates are based on 2018-2019 data for annual pass sales and visitor trends.
2. According to data from the U.S. Department of Veteran Affairs, 11,251 more disabled veterans will be newly eligible for the exemption for park/forest admission fees and trail pass fees. This assumption is identical to that used above by the Bureau of Customer & Outreach Services.
3. Assumes a participation rate for park/forest admission passes mimics that of the entire state population. That said, 13.26% of Wisconsin residents purchase at least one annual state park and forest vehicle admission sticker (199,670 annual resident vehicle passes divided by 1.506 million total Wisconsin DOT registered vehicles = 0.1326)
4. 25% of Wisconsin residents purchasing an annual state park and forest vehicle admission sticker also purchase a reduced rate annual state park and forest vehicle admission stickers for a second household vehicle.
5. Assumes a participation rate for trail passes mimics that of the entire state population. That said, 1.84% of Wisconsin residents aged 15 years or older purchase annual and daily state trail admission passes.
6. Assumes that all disabled veterans that qualify for the exemption will opt for an annual park/forest admission pass and an annual state trail pass instead of a daily pass. Revenue loss estimates would be reduced to the extent that they opt for lower priced daily passes instead.

B. State Fiscal Impact: Revenues

1. Vehicle Admission Fee

11,251 eligible disabled veterans x 13.26% participation rate x \$28 fee exemption= estimated annual revenue reduction of \$41,800.

2. Second Household Vehicle – Reduced Price Annual Vehicle Admission Fee

11,251 eligible disabled veterans x 13.26% participation rate x 25% x \$15 fee exemption = estimated annual revenue reduction of \$5,600.

3. Trail Passes

11,251 eligible disabled veterans x 1.84% participation rate x \$25 fee exemption = estimated annual revenue reduction of \$5,200.

4. Total estimated annual revenue reduction = \$52,600

C. State Fiscal Impact: Costs

Based on the aforementioned revenue estimates, it is estimated that 2,064 passes would need to be issued to eligible disabled veterans. Assuming that each pass requires 10 minutes of staff time to review, enter data, print and mail cards, the department will incur estimated one-time implementation costs of \$11,300 (2,064 passes x 10 minutes x \$32.63/hr. salary & fringe). Ongoing costs are indeterminate.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2021 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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Description the disability rating at which veterans qualify for certain hunting and fishing authorizations and exemptions from state park and trail admission fees		
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): One-time implementation costs of \$7,000 for the Bureau of Customer & Outreach Services and \$11,300 for Parks and Forests.		
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		-52,600
TOTAL State Revenues	\$	-\$52,600
NET ANNUALIZED FISCAL IMPACT		
	<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS	\$	\$
NET CHANGE IN REVENUE	\$-52,600	\$
Agency/Prepared By	Authorized Signature	Date
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