

FISCAL ESTIMATE DOA-2048 N(R 10/98) <input checked="" type="checkbox"/> ORIGINAL <input type="checkbox"/> UPDATED		List both LRB No. and Bill/Adm. Rule No. ATCP 60,69,70,71,75,77,80, 81, 82, 85
<input type="checkbox"/> CORRECTED <input type="checkbox"/> SUPPLEMENTAL		Amendment No. (If Applicable)
Subject Food and Dairy License Fees		
Fiscal Effect State: <input type="checkbox"/> No State Fiscal Effect Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation <input type="checkbox"/> Increase Existing Appropriation <input checked="" type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Appropriation <input type="checkbox"/> Decrease Existing Revenues Revenues <input type="checkbox"/> Create New Appropriation		<input type="checkbox"/> Increase Costs - May be possible to Absorb Within Agency's Budget <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Decrease Costs
Local : <input type="checkbox"/> No local government costs 1. <input checked="" type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input checked="" type="checkbox"/> Increase Revenues <input checked="" type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenues <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	5. Types of Local Governmental Unit Affected: <input type="checkbox"/> Towns <input type="checkbox"/> Villages <input checked="" type="checkbox"/> Cities <input checked="" type="checkbox"/> Counties <input type="checkbox"/> Others _____ <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
Fund Source Affected <input type="checkbox"/> GPR <input type="checkbox"/> FED <input checked="" type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEG-S		Affected Ch. 20 Appropriations 20.115(1)(gb)
Assumptions Used in Arriving at Fiscal Estimate This rule will increase annual program revenues by \$994,200. The fee increase will be effective July 1, 2008. The majority of fees were last increased in 2005. The department proposes to increase license fees for all food and dairy license categories. Wisconsin's food safety programs are funded by a combination of general purpose revenue (GPR) dollars and program revenue (PR) from industry license and service fees. In 1991 program revenue funded about 40% of program costs. Act 27, the 1995-97 biennial budget act, reduced the GPR budget, and increased the percentage of PR budget to 50%. An increase in operating costs and recent reductions in GPR have resulted in increased PR expenditures. Because of these shifts in funding and the lapse of PR cash during the previous two biennia, the department projects a cash deficit in its food safety PR appropriation in FY 2007. Local Government Impact The cost to local governments will increase by \$18,500. As a result of these fee increases, local governments that license and inspect retail food establishments as agents of the department will be required to increase their reimbursement to the department for administrative services. Currently, agents must reimburse the department for 10% of the license fee the department would charge if the department was delivering inspection-related services. For FY04, agent reimbursement to the department equaled \$58,000. If the proposed fee increases are implemented, the rate of reimbursement will remain at 10%, but the total agent reimbursement to the department will increase by \$18,500 to \$76,500. Local governments may and do pass this increase on to retail food businesses. Local governments may set license fees to recover up to 100% of their reasonable operating costs.		
Long - Range Fiscal Implications		

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