

## ADMINISTRATIVE RULES Fiscal Estimate & Economic Impact Analysis

1. Type of Estimate and Analysis

Original    Updated    Corrected

2. Administrative Rule Chapter, Title and Number

Board Orders CS-03-16, CS-04-16(E), and CS-05-17(E) modifying Chs. NR 8 License and Permit Procedures, NR 10 Game and Hunting, NR 12 Wildlife Damage and Nuisance Control, 20 Fishing: Inland Waters; Outlying Waters, and 23 Wisconsin-Michigan Boundary Waters.

3. Subject

Customer and Outreach Services rules related to the automated system for delivering recreational license products.

4. Fund Sources Affected

GPR    FED    PRO    PRS    SEG    SEG-S

5. Chapter 20, Stats. Appropriations Affected

None

6. Fiscal Effect of Implementing the Rule

<input type="checkbox"/> No Fiscal Effect	<input type="checkbox"/> Increase Existing Revenues	<input type="checkbox"/> Increase Costs
<input type="checkbox"/> Indeterminate	<input type="checkbox"/> Decrease Existing Revenues	<input checked="" type="checkbox"/> Could Absorb Within Agency's Budget
		<input type="checkbox"/> Decrease Cost

State Fiscal Impact

These rules have no state fiscal effect independent of the fiscal effect of the statute upon which it is based. Therefore, as described in Part 1.02 (7) (b) of the Wisconsin Legislative Council Administrative Rules Procedures Manual, the agency has based its fiscal estimate on the fiscal effect of the statutes as established by 2015 ACT 89.

The fiscal estimate prepared for AB 434, signed into law as 2015 Act 89, estimates a one-time cost of \$3,500 for rule development. In addition, the fiscal estimate indicates the annualized fiscal impact of statutory changes will result in a reduction of state operating costs by \$2,200 and a reduction of state revenue by \$401,900. The reduction in state operating costs is due to eliminating the requirement for the department to issue a snowmobile trail pass free of charge to owners of snowmobiles registered as antiques and eliminating the requirement for the department to issue a reflectorized plate to commercial snowmobile certificate holders. The reduction in state revenues gained is due to the elimination of the expedited service fee associated with printing decals at the point of sale. State revenues will also decrease with the elimination of duplicate approval fees, however this decrease will be offset by an indeterminate amount from the revenue gained from the sale of the approval reprints at license agent locations.

Twenty-five Act 89 made a number of statutory clarifications and simplifications that will reduce administrative overhead for enforcement investigations by an indeterminate amount. Although Act 89 aligned numerous penalty provisions through maximum penalty increases, maximum penalties can only be imposed by trial court judges and cannot be assigned by field law enforcement officers, so typical revenue from citation issuance is not expected to be impacted by this change.

The fiscal estimate prepared by the department for AB 434 included impacts associated with the elimination of the back tag reservation system. These impacts are not included in this discussion, as Assembly Substitute Amendment 1 removed the provisions from AB 434 that eliminated the back tag reservation system.

7. The Rule Will Impact the Following (Check All That Apply)

<input type="checkbox"/> State's Economy	<input type="checkbox"/> Specific Businesses/Sectors
<input type="checkbox"/> Local Government Units	<input type="checkbox"/> Public Utility Rate Payers
	<input type="checkbox"/> Small Businesses <b>(if checked, complete Attachment A)</b>

8. Would Implementation and Compliance Costs Be Greater Than \$20 million?

Yes    No

9. Policy Problem Addressed by the Rule

These rules will modernize Wisconsin's automated system for delivering recreational license products. This will result in better access to products, faster delivery of special permits and registrations, and improved customer service and satisfaction.

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The department is directed to promulgate these rules by 2015 ACT 89.

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10. Summary of the businesses, business sectors, associations representing business, local governmental units, and individuals that may be affected by the proposed rule that were contacted for comments.

Pursuant to the Governor's Executive Order 50, Section II, this will be a level 3 economic impact analysis for this permanent rule. A notice for Solicitation of comments on this analysis will be posted on the department's website during the spring season of 2016 and various interest groups will be contacted by email.

Private vendors who contract with the department to issue licenses will also be affected by the proposed rules. Those include a range of retail outlets such as convenience stores, department stores, small sporting goods shops, as well as large retailers of outdoors-related merchandise.

In nearly all situations, the effects are likely to be minimal but would result in improved delivery and access to services. The department would continue to contract with a variety of private retail outlets to deliver services which will basically be the same and include licenses and registrations for outdoors related activities.

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11. Identify the local governmental units that participated in the development of this EIA.

Pursuant to the Governor's Executive Order 50, Section II, this is a level 3 economic impact analysis. A notice for solicitation of comments on this analysis will be posted on the department's website during a 14 day period beginning during the spring season of 2016. The department will seek comments by contacting interest groups, individuals, and associations that represent local governmental units.

No effects on local governments are anticipated.

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12. Summary of Rule's Economic and Fiscal Impact on Specific Businesses, Business Sectors, Public Utility Rate Payers, Local Governmental Units and the State's Economy as a Whole (Include Implementation and Compliance Costs Expected to be Incurred)

No economic impacts are anticipated as a result of these rules. The department currently contracts with a vendor and provides automated licensing to the public at private retail outlets, department service centers, and online. Those include a range of retail outlets such as convenience stores, department stores, small sporting goods shops, as well as large retailers of outdoors-related merchandise. Following these rules, the same basic framework of license delivery would still be in place.

We do anticipate improved delivery of services and continued high levels of customer satisfaction because more services will be available at all locations and through the internet. These proposals will generally contribute to providing access to opportunities for hunting, fishing, trapping and other outdoor activities and maintenance of the economic activity generated by people who participate in those activities. The long range implications of this rule proposal will be the same as the short term impacts in that access to outdoor recreational activities will continue or improve and that activity will continue to generate economic activity.

These rules are primarily applicable to individuals and impose no new compliance or reporting requirements for small business. Vendors who choose to serve as department license outlets would continue to have compliance and reporting requirements and follow operational standards, however, we do not anticipate that those will be significantly different than what is currently required of vendors.

These rules will not modify the actual fees for any licenses, permits, registrations, or trail use stickers.

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13. Benefits of Implementing the Rule and Alternative(s) to Implementing the Rule

We anticipate improved delivery of services and continued high levels of customer satisfaction because more services will be available at all locations and through the internet. These proposals will generally contribute to providing access to opportunities for hunting, fishing, trapping and other outdoor activities and maintenance of the economic activity generated by people who participate in those activities. The long range implications of this rule proposal will be the same as the short term impacts in that access to outdoor

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#### 14. Long Range Implications of Implementing the Rule

The long range implications of this rule proposal will be the same as the short term impacts. These proposals will contribute to the maintenance of the current economic activity generated by people who purchase licenses, permits, and registrations and participate in a variety of outdoor recreational activities.

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#### 15. Compare With Approaches Being Used by Federal Government

Federal regulations allow states to manage the wildlife resources and state-owned lands located within their boundaries provided they do not conflict with regulations established in the Federal Register. None of these rule changes violate or conflict with the provisions established in the Federal Code of Regulations.

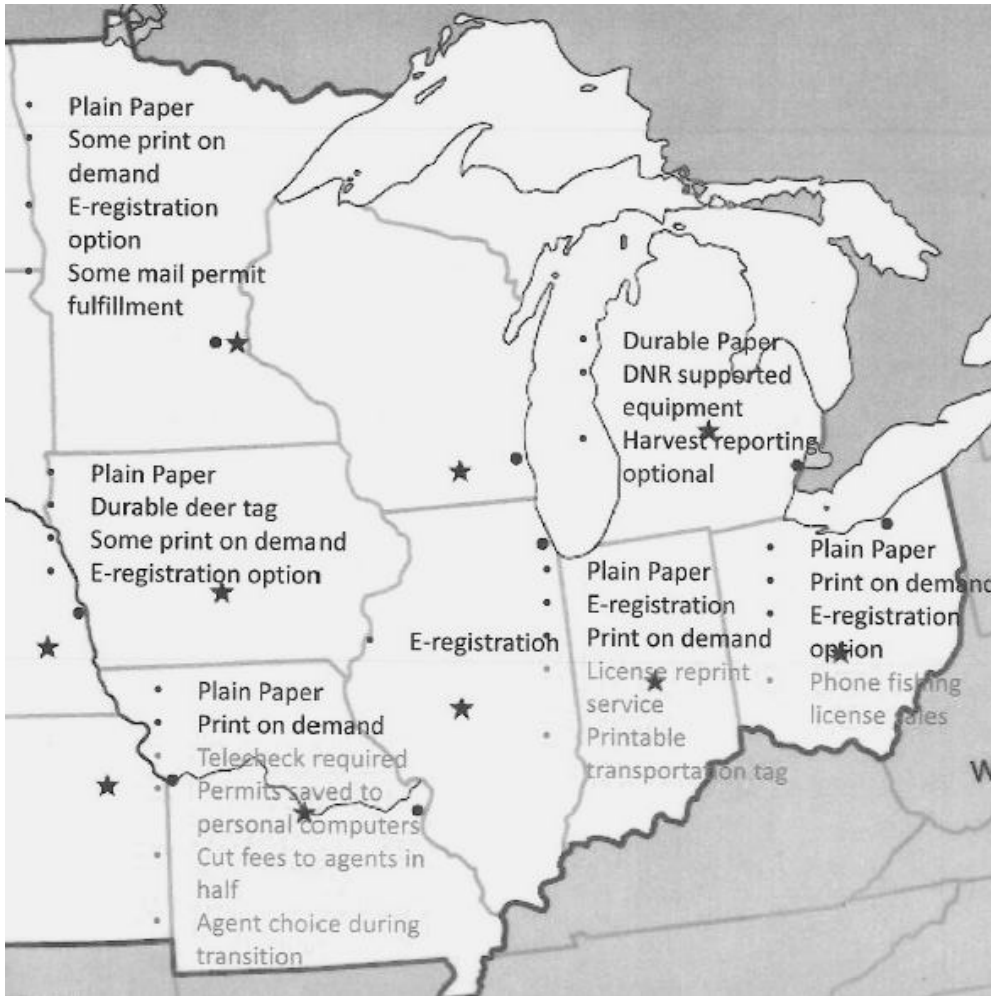
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#### 16. Compare With Approaches Being Used by Neighboring States (Illinois, Iowa, Michigan and Minnesota)

Under the proposal, Wisconsin's rules and automated licensing system will not differ significantly from surrounding states. All surrounding states have an automated system in place for the issuance of recreational licenses. Their systems are established based on needs that are unique to those state's resources and public desires.

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Wisconsin's surrounding states do not use screens that face both the license agent and the customer. Dual-facing screens provide added security and convenience at the point of sale. Customers may enter their social security number themselves, thus eliminating the need to recite it to the license agent. In addition, customers may directly attest to certifying statements, rather than requiring agents to read a certifying statement and enter the customers' response. Dual-facing screens also allow a customer to follow the transaction process and verify the accuracy of information entered, thereby reducing the potential for errors.

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