



Legislative Fiscal Bureau

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February 1, 1998

TO: Interested Persons

FROM: Bob Lang, Director

SUBJECT: Tax and Fee Modifications Included in 1997 Act 27

A number of legislators have requested that we update information concerning tax and fee changes included in the 1997-99 biennial budget bill to reflect the provisions of 1997 Act 27 (the enacted budget). This memorandum responds to those inquiries.

The attached table provides a brief description of each tax and fee modification contained within Act 27. The table consists of three parts: (1) tax increases and decreases; (2) fee increases and decreases; and (3) measures which would enhance the collection of current taxes/fees. Each entry in the table includes the agency name, the Legislative Fiscal Bureau's summary document item that describes the change in more detail (two-volume document dated December, 1997), a summary of the modification and an estimate of the revenue change due to the tax or fee modification. Items with an extensive list of changes are more fully identified in attachments to this memorandum.

In the table, GPR represents general fund revenue. Revenue to a program revenue account is signified by PR and SEG signifies revenue to a segregated fund. "Unknown" means that no estimate of the revenue impact is available.

In summary, the changes included in Act 27 would increase net taxes by \$111,205,400 (\$77,939,400 in 1997-98 and \$33,266,000 in 1998-99) and would increase net fees by \$129,746,000 (\$42,447,500 in 1997-98 and \$87,298,500 in 1998-99). In addition, measures included to enhance the collection of current taxes/fees would generate an additional \$90,505,400 (\$9,409,700 in 1997-98 and \$81,095,700 in 1998-99). It should be noted that the figures used in this memorandum reflect estimated amounts at the time of budget enactment (October, 1997).

The sum of these revenue changes for the 1997-99 biennium is shown below. It should be noted that the figures do not reflect the \$11.9 million increase in hunting and fishing license fees that is included in AB 61 (1997 Act 1). While these fee increases were not included in the budget, the expenditures from the conservation fund that are included in the budget are predicated on enactment of the fee increases. AB 61 was enacted as 1997 Act 1 on March 13, 1997. The fee package in Act 1 will raise additional revenues estimated at \$6.0 million in 1997-98 and \$5.9 million in 1998-99. A comparison of the tax and fee modifications of the Governor, Joint Committee on Finance and 1997 Act 27 is shown below.

<u>Net Tax and Fee Increases</u>	<u>Governor</u>	<u>Joint Finance</u>	<u>Act 27</u>
GPR	\$56,904,500	\$118,914,800	\$39,169,600
PR	33,412,800	37,553,800	43,850,200
SEG	345,900	157,940,300	156,478,200
FED	<u>2,884,600</u>	<u>1,453,400</u>	<u>1,453,400</u>
TOTAL	\$93,547,700	\$315,862,300	\$240,951,400

<u>Enhanced Collection Measures</u>	<u>Governor</u>	<u>Joint Finance</u>	<u>Act 27</u>
GPR	\$42,050,000	\$50,150,000	\$90,061,800
PR	<u>591,400</u>	<u>591,400</u>	<u>443,600</u>
TOTAL	\$42,641,400	\$50,741,400	\$90,505,400

[NOTE: On January 29, 1998, a memorandum entitled, "Tax and Fee Modifications Included in 1997 Act 27," was prepared by this office and distributed to members of the Wisconsin Legislature. At that time, two items in the "Fees -- Increases" portion of that memo were in error.

The first item entitled "Stray Voltage Program" (page 9) reflected an increase of \$123,800 PR in 1997-98 and \$138,200 PR in 1998-99. A portion of that provision was vetoed by the Governor lowering the fee increase amounts by \$100,000 PR in each year modifying the fee increases to \$23,800 PR in 1997-98 and \$38,200 PR in 1998-99.

The second item identified as "Certified Remediation Professionals Program" (page 14) reflected an increase of \$74,500 PR in 1997-98 and \$95,100 PR in 1998-99. That provision was vetoed in its entirety, and therefore, should not have been included in the January 29 memorandum.

These modifications change total net tax and fee increases from \$241,321,000 (January 29), to the amount listed above, \$240,951,400.]

TAXES -- INCREASES			
Summary of Provision	Tax Increases		
	1997-98	1998-99	
GENERAL FUND TAXES			
Increase Cigarette Tax Rate [Page 97, Item 1]. Increase the cigarette tax rate by 15¢ per pack, from 44¢ per pack to 59¢, effective on the first day of the second month beginning after publication or November 1, 1997, whichever is earlier.	\$46,900,000	\$59,500,000	GPR
Sales Tax on Interstate Telecommunications that Terminate in this State [Page 85, Item 2]. Impose the sales tax on interstate telecommunications services that terminate in this state and are charged to a service address in this state, regardless of where the services originate. However, toll-free calls that originate out-of-state and terminate in Wisconsin would not be taxed. Currently, telecommunications services (including toll-free calls) are taxable only if they originate in Wisconsin and are charged to a service address in this state. The effective date would be the first day of the second month beginning after publication.	\$3,030,000	\$5,400,000	GPR
Sales Tax on Telephone Answering Services [Page 86, Item 3]. Impose the sales tax on telephone answering services which would include recording telecommunications messages and transferring them to the purchaser of the service or at the purchaser's direction (unless such services are incidental to another service sold to the purchaser). The effective date would be the first day of the second month beginning after publication.	\$1,470,000	\$2,600,000	GPR
Income Tax Treatment of Non- and Part-Year Residents [Page 72, Item 4]. Prorate the income tax brackets for nonresident and part-year resident taxpayers, based on the ratio of Wisconsin AGI to federal AGI, effective January 1, 1997.	\$5,200,000	\$5,500,000	GPR
Sales Tax Exemption for University Food Contracts [Page 91, Item 8]. Modify the current sales tax exemption for meals, food, food products and beverages furnished in accordance with any contract or agreement by a public or private institution of higher education to provide the exemption only if these items are furnished to an enrolled student or to a professional football team that is training at the institution under a contract that has been signed prior to January 1, 1998.	\$60,000	\$240,000	GPR
Internal Revenue Code Update [Page 71, Item 3]. Update references to the federal Internal Revenue Code effective December 31, 1996, to reflect the previous year's federal law changes. The following items would have a tax increase: (a) limit on damage awards; (b) energy subsidies; (c) company-owned life insurance; and (d) thrift savings associations-bad debt reserve method.	\$5,700,000	\$7,700,000	GPR
Phase-Out Senior Citizen Tax Credit [Page 75, Item 7]. Phase out the senior citizen tax credit, which is currently \$25 for each taxpayer over the age of 65, for married taxpayers filing joint returns with annual income over \$40,000, single taxpayers with income over \$30,000 and married-separate taxpayers with income over \$20,000. The credit would phase out over the next \$1,000 in income until it is eliminated.	\$2,100,000	\$2,200,000	GPR

TAXES -- INCREASES

Summary of Provision	Tax Increases		
	1997-98	1998-99	
Adult Entertainment Tax [Page 99, Item 4]. Impose a 5% gross receipts tax on the sale of adult entertainment products and services, effective April 1, 1998. Provide that the products and services subject to the tax would generally be the same items that are defined as being harmful to children under current law, except that movies and magazines would not be subject to the tax. Specify that the tax would be imposed on the admittance to a strip club. Direct the Department of Revenue to promulgate administrative rules specifying the products and services that would be subject to the tax.	\$375,000	\$1,500,000	GPR
Cigarette Discount Rate [Page 97, Item 2]. Reduce the manufacturers' and distributors' cigarette discount percentage from 2.0% to 1.6%, effective November 1, 1997. The proposed increase in the cigarette tax and the reduction in the discount rate would result in approximately the same discount amount being retained by manufacturers and distributors. Tax revenues would increase by \$800,000 in 1997-98 and \$1 million in 1998-99.	\$800,000	\$1,000,000	GPR
Sales Tax on Prepaid Calling Cards [Page 95, Item 16]. Provide that sales of prepaid calling cards and prepaid authorization numbers would be considered sales of tangible property and subject to the sales and use tax, effective on the first day of the second month beginning after publication of the bill. Under current law, the sales tax is imposed on each taxable call made with a prepaid calling card or authorization number, rather than on the initial purchase.	\$50,000	\$100,000	GPR
Passive Foreign Investment Company Income [Page 76, Item 10]. Include excess distributions from passive foreign investment companies as Wisconsin adjusted gross income for state individual income tax purposes beginning in 1997.	\$300,000	\$300,000	GPR
TRANSPORTATION			
Motor Vehicle Fuel Tax Rate [Page 1062, Item 2]. Increase the motor vehicle fuel tax rate by one cent per gallon (from 23.8¢ per gallon to 24.8¢ per gallon), effective November 1, 1997.	\$19,600,000	\$30,600,000	SEG
Motor Vehicle Fuel Tax Indexing Formula [Page 1063, Item 3]. Modify the current motor fuel indexing formula by deleting the motor fuel consumption factor, effective with the April 1, 1998, indexing calculation.	\$3,060,000	\$16,120,000	SEG
Fuel Tax Exemption for Off-Highway Uses [Page 1063, Item 4]. Limit vendor sales of exempt motor fuel for off-highway uses to dyed diesel fuel, effective November 1, 1997.	\$1,908,800	\$2,886,000	SEG
TOTAL TAX INCREASES	\$65,985,000 <u>24,568,800</u> \$90,553,800	\$86,040,000 <u>49,606,000</u> \$135,646,000	GPR SEG

TAXES -- DECREASES

Summary of Provision	Tax Decreases		
	1997-98	1998-99	
<p>GENERAL FUND TAXES</p> <p>Sales Tax on Modular Homes and Manufactured Buildings [Page 87, Item 4]. Modify the definition of real property construction activities to exclude the fabrication of modular units and modular homes. With this change, the final sale of these items would be subject to the sales tax, but the purchase of materials and supplies used in fabricating the units would be exempt as a sale for resale.</p> <p>In addition, allow retailers of manufactured buildings to exclude a portion of the gross receipts and sales price of such buildings from the sales tax. The seller would have the option to exclude: (a) 35% of the gross receipts and sales price; or (b) an amount equal to the gross receipts and sales price minus the cost of materials that become an ingredient or component of the building.</p> <p>These provisions would take effect on the first day of the second month beginning after publication.</p>	- \$650,000	- \$1,130,000	GPR
<p>Development Zones Tax Credits [Page 78, Item 15]. Eliminate the current development zone tax credits and provide a consolidated credit based on amounts spent on environmental remediation and the number of full-time jobs created or retained. Also, the statewide total amount of credits that could be claimed under the development zones program would be increased by \$5 million to a total of \$33.155 million.</p>	Unknown	Unknown	
<p>Sales Tax Exemption for Raw Materials Used in Printing [Page 89, Item 5]. Create a sales and use tax exemption for raw materials that are incorporated into printed materials that are transported and used solely outside the state. Repeal the current provision which excludes from the definition of taxable "storage" keeping, retaining or exercising any right or power over raw materials by a publisher or printer for incorporation into printed materials to be transported, and thereafter used solely, outside this state. These provisions would take effect on the first day of the second month beginning after publication of the bill.</p> <p>Under current law, raw materials purchased from out-of-state sellers and incorporated into printed materials that are transported for use solely outside the state are exempt from the sales and use tax. This provision would also allow the exemption if the materials are purchased from an in-state seller.</p>	- \$230,000	- \$500,000	GPR
<p>Sales Tax Exemption for Samples of Medicine [Page 90, Item 7]. Create an exemption from the sales and use tax for medicines furnished without charge to a physician, surgeon, nurse anesthetist, advance practice nurse, osteopath, dentist, podiatrist or optometrist if the medicine may not be dispensed without a prescription. This provision would take effect on the first day of the second month beginning after publication of the bill.</p>	- \$180,000	- \$300,000	GPR

TAXES -- DECREASES

Summary of Provision	Tax Decreases		
	1997-98	1998-99	
<p>Supplement to Federal Historic Rehabilitation Credit [Page 83, Item 16]. Provide that qualified rehabilitation expenditures would be eligible for the state supplement to the federal historic rehabilitation credit if either the physical work of construction or destruction in preparation for construction begins after December 31, 1988. This provision would change the date for determining when eligible qualified rehabilitation expenditures were incurred. As a result, general fund tax revenues would be decreased by \$176,400 in 1997-98.</p>	- \$176,400	\$0	GPR
<p>Credit for Sales Tax on Fuel and Electricity Used in Manufacturing [Page 75, Item 9]. Provide, for tax years beginning on or after January 1, 1998, the tax credit for sales taxes on fuel and electricity used in manufacturing under the individual income tax to allow owners, partners and shareholders of businesses organized as sole proprietorships, partnerships, and tax-option corporations, respectively, to claim the credit. If the credit was not offset against income tax liability for the current year, the owner, partner or shareholder of the business could carry forward the remaining credit for up to 15 years to offset future tax liability. The provision would reduce individual income tax revenues by an estimated \$1,800,000 in 1998-99.</p>	\$0	- \$1,800,000	GPR
<p>Working Families Tax Credit [Page 71, Item 2]. Create a nonrefundable credit equal to a taxpayer's net tax liability for taxpayers with adjusted gross income up to \$9,000 (\$18,000 if married-joint), effective with tax year 1998. Provide that the credit would phase out over the next \$1,000 of income until it would be eliminated when income equals \$10,000 (\$19,000 if married-joint). Specify that only full-year resident taxpayers and taxpayers who can not be claimed as a dependent on another taxpayer's return would be eligible for the credit.</p>	\$0	- \$25,300,000	GPR
<p>Internal Revenue Code Update [Page 71, Item 3]. Update references to the federal Internal Revenue Code effective December 31, 1996, to reflect the previous year's federal law changes. The following items would have a tax decrease: (a) exclusion for employer-provided educational assistance; (b) long term care insurance payment exclusion; (c) medical savings accounts; (d) maximum deductible contributions to spousal IRA; (e) election to expense depreciable property; and (f) SIMPLE retirement plans.</p>	- \$10,800,000	- \$8,600,000	GPR
<p>Individual Income Tax: Long-Term Care Insurance Deduction [Page 75, Item 8]. Create an income tax deduction for premium costs paid by taxpayers for long-term care insurance beginning in tax year 1998. Prohibit the premium costs for long-term insurance from being included as an itemized deduction for purposes of calculating the itemized deduction tax credit.</p>	\$0	- \$3,000,000	GPR

TAXES -- DECREASES

Summary of Provision	Tax Decreases		
	1997-98	1998-99	
Exclusion for Capital Gains on Business Assets Sold to Family Members [Page 74, Item 6]. Provide a complete exclusion for long-term capital gains realized on the sale of business assets and assets used in farming to a family member that were held for more than one year, including gains on property used in the ordinary course of business as defined under the internal revenue code, effective January 1, 1998.	\$0	- \$5,000,000	GPR
Sales Tax on Time-Share Property [Page 94, Item 15]. Provide that the furnishing of rooms or lodging through the sale of a time-share property would be exempt from the sales tax regardless of whether or not the use of the rooms or lodging is fixed at the time of sale as to the starting date or lodging unit. This provision would take effect on the first day of the second month beginning after publication of the bill. Under current law, time-share sales are exempt from tax only if the use of the rooms or lodging is fixed at the time of sale as to the starting date and lodging unit.	- \$70,000	- \$120,000	GPR
Use Tax Exemption for Refunds of Motor Fuel Taxes [Page 90, Item 6]. Provide a use tax exemption for state and federal motor fuel taxes that are refunded to exempt purchasers of motor fuel, effective on the first day of the second month beginning after publication of the bill.	- \$260,000	- \$450,000	GPR
Reduce Individual Income Tax Rates and Implement Indexing [Page 70, Item 1]. Reduce the income tax rates by 1% in tax year 1998. Begin indexing the income tax brackets and standard deduction for changes in inflation in 1999.	\$0	- \$49,800,000	GPR
Married Couple Credit [Page 73, Item 5]. Increase the married couple credit over a four-year period beginning in 1998. The maximum credit would increase from \$300 under current law to \$304 in 1998, \$350 in 1999, \$385 in 2000 and \$420 in 2001 and thereafter.	\$0	- \$6,000,000	GPR
Repeal Limit on Farm and Farm Investment Losses [Page 77, Item 12]. Repeal the state farm loss limits that are provided under current law for persons who are determined to be actively engaged in farming under federal law, effective January 1, 1999. Increase the amount of nonfarm income a taxpayer could have before no loss is allowed from \$400,000 to \$600,000 for persons who are not determined to be actively engaged in farming. Since this provision would not take effect until tax year 1999, there would be no cost in the 1997-99 biennium. However, this provision is estimated to cost \$1.7 million annually beginning in 1999-2000.	\$0	\$0	

TAXES -- DECREASES

Summary of Provision	Tax Decreases		
	1997-98	1998-99	
TRANSPORTATION			
Alternate Fuel Tax Rate [Page 1064, Item 5]. Modify the motor fuel tax rate for alternate fuels by taxing those fuels at separate rates, effective November 1, 1997. Define the rate for each type of alternate fuel as the result of dividing the average energy content level of a gallon of the alternate fuel, expressed in BTUs, by the average energy content level of a gallon of motor vehicle fuel, expressed in BTUs, and multiplying that result by the motor vehicle fuel tax rate.	- \$248,000	- \$380,000	SEG
TOTAL TAX DECREASES	- \$12,366,400 - 248,000 - \$12,614,400	- \$102,000,000 - 380,000 - \$102,380,000	GPR SEG

FEES -- INCREASES			
Summary of Provision	Fee Increases		
	1997-98	1998-99	
ADMINISTRATION Tax Appeals Commission -- Filing Fee [Page 151, Item 7]. Increase, from \$5 to \$25, the filing fee for appeals to the Tax Appeals Commission, except those related to the Homestead Tax Credit (HTC). The filing fee for appeals related to the HTC would remain at \$5. This provision would take effect on the first day of the second month beginning after publication of the bill.	\$9,500	\$9,500	GPR
AGRICULTURE, TRADE AND CONSUMER PROTECTION (DATCP) Weights and Measures Program [Page 168, Item 12]. Make the following fee changes: (a) increase the vehicle scale operator annual license fee from \$30 to \$60 for the 1997-99 biennium only and the operating without a license surcharge from \$30 to \$200; (b) restructure the current license fees for those that provide weights and measures inspection services from a \$100 flat fee to \$100 for those that service their own equipment or \$200, plus \$50 per each business location operated, for those that provide weights and measures inspection services for others; and (c) require owners of liquified petroleum gas meters to pay a one-time registration fee on each meter owned.	\$84,800	\$84,800	PR
Stray Voltage Program [Page 173, Item 19]. Increase existing assessments on privately-owned utilities and create an assessment on rural electric cooperatives to fund DATCP's stray voltage program activities.	\$23,800	\$38,200	PR
Regulation of Private Fish Farming [Page 179, Item 36]. As part of the shift of regulation of private fish farming from DNR to DATCP effective January 1, 1998, require: (a) a person bringing fish or fish eggs into the state for the purpose of introduction into the waters of the state, use as bait, or rearing in a fish farm to have an annual permit from DATCP; (b) a person operating a fish farm to annually register it with the Department; and (c) DATCP to inspect a fish farm upon initial registration and at any other time. Allow DATCP to specify the fees for these permits, registrations and inspections in rule.	Unknown	Unknown	
BOARD OF COMMISSIONERS OF PUBLIC LANDS Permit Fee for Raising Sunken Logs [Page 1023, Item 12]. Increase the cost of initial and renewal permits for raising sunken logs from submerged state lands from \$50 to \$500 and extend their period of validity from one year to five years. The revenue increase shown is the estimated net annualized change based on current permit issuance activity (\$9,500 annually).	\$9,500	\$9,500	PR

FEES -- INCREASES

Summary of Provision	Fee Increases		
	1997-98	1998-99	
<p>CLEAN WATER FUND</p> <p>Land Recycling Loan Program [Page 240, Item 7]. Create an annual service fee for reviewing and acting upon land recycling loan program applications and servicing financial assistance agreements. The fee would be in addition to required interest payments and would be 0.5% of the loan balance. Fees would be deposited in the clean water fund.</p>	Unknown	Unknown	
<p>COMMERCE</p> <p>WDF -- General Administrative Provisions [Page 261, Item 11]. Establish a loan origination fee of up to 1.5% of a grant or loan in excess of \$200,000 awarded as a customized labor and training or major economic development grant or loan.</p>	\$110,000	\$110,000	PR
<p>International Trade and Export Activities [Page 270, Item 21]. Authorize the Division of International and Export Services to charge fees for the services it provides to cover the related costs incurred by the Division.</p>	\$40,200	\$53,700	PR
<p>ELECTIONS BOARD</p> <p>Campaign Finance Filing Fee [Page 386, Item 3]. Effective January 1, 1998, require individuals, committees, corporations or groups who, under current law, are required to file campaign finance registration statements with the Board to annually pay a \$100 filing fee to the Board. Any entity which does not disburse more than \$2,500 during an annual reporting period would be exempt from the filing. All entities that file a termination report before December 31 of each calendar year, with expenditures greater than \$2,500 would be required to pay the fee with its termination report. Candidates and personal campaign committees would not be required to pay the fee.</p>	\$27,100	\$27,200	PR
<p>FINANCIAL INSTITUTIONS</p> <p>Reinstatement of Administratively Dissolved Corporations [Page 416, Item 12]. Repeal the two-year limit on the reinstatement of stock and nonstock corporations that have been administratively dissolved. In addition, increase the application fee for reinstatement following administrative dissolution from \$10 to \$90 for stock corporations and to \$35 for nonstock corporations.</p>	\$50,000	\$50,000	PR

FEES -- INCREASES

Summary of Provision	Fee Increases		
	1997-98	1998-99	
HEALTH AND FAMILY SERVICES (H&FS)			
BadgerCare Health Plan [Page 510, Item 26]. Require families with income at or above 143% of the federal poverty level to pay up to 3.0% of the family's income as premiums under the BadgerCare program, in accordance with a schedule established by DHFS by rule, or 3.5% of the family's income, if approved by the Joint Committee on Finance. If Wisconsin obtains federal waivers necessary to implement BadgerCare by July 1, 1998, it is anticipated that approximately \$5,334,800 in premium revenue would be available to support program costs in 1998-99.	\$0	\$5,334,800	PR
State Centers -- Charges to Counties [Page 470, Item 8]. Authorize DHFS to assess counties \$48 per day for services provided on or after December 31, 1997, to residents at the State Centers for the Developmentally Disabled if an independent professional review determines that the resident can be supported in the community at a cost of \$184 per day or less. Currently, DHFS may assess counties 10% of the cost of care for any resident an independent professional review determines is appropriate for community care.	\$213,500	\$262,800	GPR
MA Copayments [Page 473, Item 12]. Increase copayments for certain medical assistance services currently subject to copayments to the maximum amount permitted under federal law, and establish new copayments for specialized motor vehicle services and free-standing ambulatory surgery services. Reduce MA benefits expenditures by \$823,000 (all funds) in 1997-98 and \$1,646,100 (all funds) in 1998-99 to reflect corresponding MA rate decreases to MA providers.	\$337,900 \$485,100	\$677,800 \$968,300	GPR FED
Fees for Health Statistics [Page 507, Item 18]. Authorize DHFS to establish a fee for the provision of data relating to the occurrences, patterns and trends of acute communicable or chronic diseases, maternal and child health, injuries and occupational and environmental hazards.	\$23,600	\$23,600	PR
Licensing of Children's Facilities [Page 561, Item 18]. Increase biennial license fees for family and group day care facilities, group homes, child caring institutions, child placing agencies and shelter care facilities by 10% in 1997-98 and an additional 10% in 1998-99.	\$50,400	\$113,500	PR
HISTORICAL SOCIETY			
Fees for Certain Nonresidents [Page 604, Item 12]. Require the Society to charge a fee for research services for nonresidents who are not specifically exempted from the fees under current law. Require the Society to charge a fee for nonresidents who visit historic sites or museums.	Unknown	Unknown	

FEEES -- INCREASES

Summary of Provision	Fee Increases		
	1997-98	1998-99	
<p>INSURANCE</p> <p>Repeal One-time HIRSP Premium Subsidy [Page 615, Item 2]. Eliminate premium subsidy for HIRSP enrollees with a household income of more than \$20,000 and less than \$40,000. By eliminating the subsidy for these HIRSP policyholders, their share of the total current premium might be larger in 1997-99 than in 1996-97.</p>	Unknown	Unknown	
<p>HIRSP-Program Modifications and Transfer [Page 615, Item 3].</p> <p><i>Provider Rate Reimbursement Discount.</i> Provide that 50% of all remaining unfunded costs of HIRSP, after deducting enrollee premiums and GPR funding for the program, shall be met by further reducing the rate of provider reimbursements above the current 10%. While revenues to the program would not increase, providers' share of funding for the program would increase, above the current 10%, due to the additional reduction in their rate of reimbursement.</p> <p><i>Enrollee Premium Cap.</i> provide that, notwithstanding the requirement to set enrollee premium rates at a level to cover 60% of plan costs after deducting GPR and subsidy funding for the program, such rates may not be less than 150% nor more than 200% of the rate that a standard risk would be charged under an individual policy providing substantially the same coverage and deductible as would be provided under HIRSP. The 200% cap on enrollee premiums might result in insurers and providers bearing more than 40% of net program costs at some point.</p>	Unknown (see Text)	Unknown (see Text)	
<p>JUSTICE</p> <p>Victim/Witness Assistance Funding and New Surcharge on Juveniles [Page 656, Item: 6]. Create a \$20 delinquency victim and witness assistance surcharge, imposed on all juveniles adjudicated delinquent. The surcharge would apply to adjudications for arrests that occur on or after October 1, 1997, or the effective date of the bill, whichever is later.</p>	\$100,000	\$200,000	PR
<p>DNA Crime Lab Initiative and Fee [Page 659, Item 13]. Create a \$4 crime laboratories and drug law enforcement assessment, imposed on any violation of state law or municipal or county ordinance except for violations of smoking laws, nonmoving traffic violations or safety belt use violations, effective for convictions for arrests that occur on or after October 1, 1997, or the effective date of the bill, whichever is later.</p>	\$1,270,400	\$2,540,800	PR
<p>Sheriff Fees in Real Estate Sales [Page 662, Item 18]. Authorize county boards to establish higher fees, up to \$150, for sheriffs in real estate sales. The current fee is \$50. All revenues go to sheriffs' departments.</p>	Unknown	Unknown	

FEES -- INCREASES			
Summary of Provision	Fee Increases		
	1997-98	1998-99	
NATURAL RESOURCES (DNR)			
Hunting and Fishing License Fees [Page 736, Item 1]. While not included in the bill, the Governor stated that expenditures from the fish and wildlife account of the conservation fund under the bill are predicated on the passage of DNR's hunting and fishing license fee increase package in separate legislation (1997 AB 61). Wisconsin Act 1 was enacted on March 13, 1997, incorporating the hunting and fishing license fee increase included in AB 61. The fee package in Act 1 will raise an estimated \$6.0 million in 1997-98 and \$5.9 million in 1998-99.	See Text	See Text	
Sturgeon Spearing Permits [Page 742, Item 9]. Require DNR to collect a \$3 application processing fee for a sturgeon fishing permit if the Department decides to establish a permitting system for harvesting sturgeon.	Unknown	Unknown	
Local Snowmobile Trail Aids [Page 743, Item 11]. Require a \$10 annual trail use sticker for snowmobiles registered in another state using public trails in Wisconsin effective May 1, 1998.	\$0	\$700,000	SEG
Endangered Resources Revenue Changes [Page 748, Item 20]. Allow the Bureau of Endangered Resources to recover costs associated with collecting, storing and managing the information and data provided by the Natural Heritage Inventory Environmental Review Program. Current law allows the Bureau to collect only the cost of compiling and providing the data.	Unknown	Unknown	
Vehicle Environmental Impact Fee [Page 767, Item 4]. Create an environmental impact fee of \$5 per vehicle collected by DOT at the time a new vehicle is registered for the first time in the state or ownership of a used vehicle is transferred. Deposit fees in the environmental fund.	\$4,001,600	\$6,800,000	SEG
Brownfields - Technical Assistance [Page 771, Item 12]. Authorize DNR to promulgate rules to assess and collect fees from a person to offset the costs of providing assistance concerning the investigation and cleanup of environmental pollution of properties and the determination of who is liable for the pollution.	\$0	\$230,000	PR
Brownfields - Property Affected by Offsite Discharges [Page 772, Item 13]. Authorize DNR to promulgate rules to assess and collect fees from a person to offset the costs of issuing a written determination to persons who request it, that a person is not required to respond to a discharge from offsite sources or reimburse DNR for the costs of responding to the discharge.	\$0	\$25,000	PR
Brownfields - Voluntary Party Liability Limitation [Page 774, Item 15]. Provide certain voluntary parties who acquire contaminated property exemption from environmental liability. Require voluntary parties to reimburse DNR for the costs of reviewing applications for exemption from liability.	\$0	\$87,200	PR

FEES -- INCREASES

Summary of Provision	Fee Increases		
	1997-98	1998-99	
Brownfields - Lender Liability Exemption [Page 780, Item 19]. Require a lender to reimburse DNR for the costs of reviewing an environmental assessment submitted as part of the lender's effort to obtain exemption from the hazardous substances spills law for property it acquires.	\$0	\$1,200	PR
Spills Law Stepped Enforcement [Page 784, Item 24]. Authorize DNR to enter into an agreement containing a schedule for conducting a cleanup with the responsible party and assess fees to offset the costs of entering into the agreement.	\$0	\$8,100	PR
Dry Cleaner Environmental Response Program [Page 800, Item 41]. Create a program to provide financial assistance for investigation and remedial action of contamination at current and certain former dry cleaning facilities. Provide the following fees, to be deposited in a new dry cleaner environmental response fund: (a) an annual dry cleaning facility license fee of 1.8% of the previous year's gross receipts from dry cleaning; (b) a dry cleaning solvents fee imposed on persons who sell a dry cleaning solvent to a dry cleaning facility equal to \$5.00 per gallon of perchloroethylene sold and \$0.75 per gallon of hydrocarbon-based solvent sold; (c) an inventory fee of the same amount per gallon of solvent in the inventory of dry cleaning facilities on the effective date of the bill; and (d) payments by closed facilities equal to the average license fee paid and the average solvent fee paid by operating dry cleaning facilities in that year.	\$1,650,000	\$1,850,000	SEG
Well Compensation Fee [Page 825, Item 13]. Increase the well compensation fee from 1¢ to 4¢ per ton of municipal and industrial solid or hazardous waste.	\$64,300	\$260,900	SEG
Expedited Service for Permitees [Page 833, Item 23]. Create a supplemental permit fee to be assessed if the applicant for a DNR permit or approval requests that the permit be issued on an expedited basis. The supplemental fee would be limited to permits relating to projects that affect navigable waters or wetlands and could only be assessed if the Department verifies that it can meet the expedited service time-frame.	Unknown	Unknown	

FEES -- INCREASES

Summary of Provision	Fee Increases		
	1997-98	1998-99	
<p>PUBLIC SERVICE COMMISSION (PSC)</p> <p>Fees for Commission Investigations and Public Hearings Transcripts [Page 938, Item 9]. Authorize the PSC to require any party to a proceeding to bear the expenses of producing tapes or transcripts. Currently, the PSC secures commitments from the parties to pay the costs of contract court reporters, although it does not have the explicit authority to compel these payments. Under this new authority, the transcript production fees would continue to be paid to the contract reporters and not to the PSC. Repeal the current requirement that the PSC furnish a free transcript copy to each party to a proceeding and specify instead that the PSC could impose a reasonable charge for such copies. The PSC has indicated that it would likely continue to make copies available to the parties to a proceeding at no cost.</p>	Unknown	Unknown	
<p>REGULATION AND LICENSING (R&L)</p> <p>Revised Agency Credential Fees (Initial Credential Fee) [Page 942, Item 3]. Increase from \$39 to \$41 the initial credential fee which first-time applicants subject to regulation by the agency must pay in order to become a licensed professional.</p>	\$155,900	\$203,500	PR
<p>Revised Agency Credential Fees (Credential Renewal Fees) [Page 942, Item 3]. Retain at \$41 the basic non-variable component biennial renewal fee. Revise the variable portion of such fees based on the proportionate share of enforcement costs attributable to the regulated profession. After recalculating enforcement costs, the new renewal fee amounts would represent a fee increase for 45% of the credential license renewal fees, a fee decrease for 21% of the credential license renewal fees, and 34% of the renewal license fees would remain unchanged (see Attachment 1).</p>	\$752,700	\$648,300	PR
<p>Criminal Records Checks [Page 946, Item 4]. Provide for a fee to cover the costs of criminal records check of any applicant for a credential issued by R&L where information submitted on an application provides a reasonable basis to initiate further investigation. Further, commencing 12 months after the general effective date of the budget act, R&L would be required to investigate allegations of neglect or abuse of health facility clients by any professional licensed by the department. R&L would be authorized to set a fee by rule sufficient to recover the costs of the records checks (a minimum of \$29, the current cost of a DOJ records check plus an FBI fingerprints check). Under current law, effective July 1, 1997, only private detectives and security guards are subject to criminal records checks and the criminal records check fee. The amount of the fee has not yet been established. R&L estimates that 35 additional applicants per month in all other professions would be subject to this new procedure and fee.</p>	Unknown	Unknown	

FEES -- INCREASES

Summary of Provision	Fee Increases		
	1997-98	1998-99	
SECRETARY OF STATE			
Notary Fee Increase [Page 986, Item 5]. Increase the fee for notaries from \$15 to \$40 for a four-year commission and from \$15 to \$50 for a permanent notary commission for attorneys.	\$72,500	\$70,200	PR
SUPREME COURT			
Justice Information Fee [Page 1029, Item 3]. Increase the justice information fee from \$5 to \$7, effective on October 1, 1997, or on the day after publication, whichever is later.	\$825,000	\$1,100,000	PR
TRANSPORTATION (DOT)			
Registration Fee Increase -- Automobiles [Page 1064, Item 6]. Increase the automobile registration fee by \$5 (from \$40 to \$45), effective December 1, 1997.	\$8,414,000	\$14,430,000	SEG
Registration Fee Increase -- Trucks [Page 1065, Item 7]. Increase registration fees for vehicles registered based on their gross vehicle weight (buses, trucks, truck tractors, trailers, motor homes, trucks hauling dairy and forest products and farm trucks) by 7.5%, effective December 1, 1997.	\$6,573,000	\$11,560,000	SEG
Vehicle Rental Fee [Page 1065, Item 8]. Impose a fee to be paid by establishments primarily engaged in vehicle rental or leasing at a rate of 3% on the gross receipts from the rental or leasing for periods of 30 days or less of automobiles, station wagons, motor trucks, road tractors, truck tractors, semitrailers, trailers, motor buses, mobile homes, motor homes or camping trailers, as each is defined in Chapter 340 of the state statutes, if those vehicles are rented without drivers, effective with rentals as of April 1, 1998.	\$2,150,000	\$8,700,000	SEG
Limousine Service Fee [Page 1066, Item 9]. Impose a fee to be paid by establishments primarily engaged in vehicle rental or leasing at a rate of 5% on the gross receipts from furnishing local and suburban passenger transportation by limousine with a driver, effective with rentals as of April 1, 1998.	\$75,000	\$300,000	SEG
Title Fee Increase [Page 1067, Item 10]. Increase the title fee by \$3.50 (from \$12.50 to \$16.00), effective December 1, 1997, and specify that the increase be deposited in the transportation fund.	\$2,796,900	\$4,795,000	SEG
Operator's License, Identification Card and Motorcycle Registration Fee Increases [Page 1112, Item 2]. Increase the fees charged for certain operator's licenses and identification cards, effective February 1, 1998, and for motorcycle registrations, effective May 1, 1998 (see Attachment 2). The fees for operator's licenses would increase due to both extending the renewal cycle from four years to eight years and prorating the fees accordingly and for an additional increase on top of the prorated fee. The revenue increases shown here represent only the increment due to increases in the fee per year.	\$1,604,600	\$2,973,600	SEG

FEES -- INCREASES

Summary of Provision	Fee Increases		
	1997-98	1998-99	
Electronic Processing of Registrations and Titles by Financial Institutions [Page 1117, Item 8]. Establish a \$5 transaction fee for each transaction relating to a certificate of title or a registration, or both, that is transmitted electronically to DOT by a financial institution, beginning with transactions on January 1, 1998.	\$0	\$482,000	SEG
Electronic Filing of Proof of Insurance [Page 1118, Item 10]. Create a \$1.50 transaction fee for each proof of insurance filing that is not filed electronically if an insurance company files more than 1,000 total certifications or recertifications in a calendar year, effective January 1, 1998.	\$115,000	\$93,900	SEG
Commercial Driving Schools and Instructor Fees [Page 1122, Item 15]. Increase annual fees for a commercial driving school license from \$25 to \$75, effective September 1, 1997, and from \$75 to \$95, effective September 1, 1998, and increase the annual fee for commercial driving school instructors from \$5 to \$25, effective September 1, 1997.	\$12,400	\$14,400	SEG
Increase Registration Fees for Certain Camping Trailers and Mobile Homes [Page 1123, Item 17]. Increase annual registration fees for camping trailers over 3,000 pounds and 25 feet or less in length and for mobile homes 25 feet or less in length from \$12 to \$15.	\$61,900	\$61,900	SEG
OWI Driver Improvement Surcharge [Page 1139, Item 2]. Increase the operating while intoxicated (OWI) driver improvement surcharge from \$300 to \$340 and change the percentage distribution of surcharge collections so that the full \$40 goes to the state. The increased revenue would be used to replace SEG funding for the chemical test section within the State Patrol, which performs functions related to the enforcement of OWI laws.	\$466,700	\$933,300	PR
Fees for State Patrol Services [Page 1142, Item 8]. Allow the DOT to charge a fee for security and traffic enforcement services provided by the State Patrol at any public event organized by a private organization for which an admission fee is charged.	Unknown	Unknown	
Late Fees for Vehicle Registration and Operator's License Renewals [Page 1131, Item 27]. Establish a \$10 fee for automobile, light truck, motorcycle and moped registrations that are not renewed before they expire, effective October 1, 1998, and a \$5 fee for Class D, Class M and commercial driver's licenses that are not renewed before they expire, effective April 1, 1998.	\$135,800	\$3,806,000	SEG

FEES -- INCREASES

Summary of Provision	Fee Increases		
	1997-98	1998-99	
UNIVERSITY OF WISCONSIN SYSTEM (UW)			
Educational Technology Tuition Increase [Page 1154, Item 2]. Increase tuition to reflect cost increases related to new educational technology initiatives including: (a) the student information system; (b) development of technology infrastructure; (c) development of curricula to train students enrolled in the schools of education; (d) professional development in the use of educational technology for K-12 teachers; (e) to provide faculty with educational technology and to train faculty in its use; and (f) to pay DOA for telecommunications services.	\$1,957,500	\$3,434,000	PR
General Tuition Increase [Pages 1153 thru 1166, Items 1, 5, 9, 15, 16 and 21]. Increase tuition to reflect cost increases related to standard budget adjustments utilities costs, advising initiatives, precollege programs and additional revenues from the special fee for instructional technology services to students and building depreciation. These figures do not include pay plan adjustments for UW staff. However, it is estimated that for each annual 1% increase in UW compensation, tuition would increase by 0.7%.	\$3,826,000	\$4,778,000	PR
Allied Health Tuition Increase [Page 1156, Item 3]. Increase tuition to expand allied health programs at UW-Milwaukee and UW-La Crosse.	\$82,600	\$663,000	PR
Additional Expenditure Authority from Tuition and Fees Appropriation [Page 1157, Item 6]. Authorize the Board of Regents to expend 104% of the amount appropriated for tuition and fee revenues in 1997-98 and 107% of the amount appropriated in 1998-99, provided that the additional revenues are available. Based on the amounts in the appropriation schedule under the bill, this provision would allow the UW to expend up to \$15.7 million in 1997-98 and \$27.7 million in 1998-99 in excess of the amounts appropriated.	Unknown	Unknown	
Application Fees [Page 1165, Item 19]. Increase the fees for applications for admission to UW System undergraduate and graduate and professional programs by \$7, beginning with applications for enrollment in the 1998 fall semester. The fee for students applying as freshmen or as transfer students from outside of the UW System would increase from \$28 to \$35, and the fee for applicants to a graduate or professional school would increase from \$38 to \$45.	\$630,000	\$630,000	PR
Budget Reductions: UW-Extension [Page 1166, Item 22]. Reduce the budget for UW-Extension by \$2,000,000 GPR in 1997-98 and \$1,000,000 GPR in 1998-99. Specify that all UWEX Divisions could be subject to the annual budget reduction. The UW must report to JFC, under a 14-day passive review process, on how these reductions would be distributed. To the extent that reductions will occur in Continuing Education programs, course fees may be increased to recover the lost revenue.	Unknown	Unknown	

FEES -- INCREASES

Summary of Provision	Fee Increases		
	1997-98	1998-99	
<p>Non-Credit Course Revenues: UW-Extension [Page 1168, Item 24]. Increase program revenue expenditure authority for revenues generated from non-credit programs offered through UW-Extension. This funding would be primarily generated from fees charged for non-credit courses in Continuing Education Extension courses in engineering, business, education and management and Cooperative Extension programs. UW-Extension may generate increased revenue for this expenditure authority through increased course fees.</p>	\$3,499,600	\$6,999,200	PR
<p>VETERANS AFFAIRS (DVA)</p> <p>Veterans Trust Fund -- Veterans Assistance Program [Page 1187, Item 5]. Authorize DVA to charge program fees for transitional housing and such other assistance provided under the veterans assistance program as DVA determines. Create an annual appropriation for receipt of the fees charged with the revenue to be used for the veterans assistance program. However, provide no expenditure authority. It is not identified who would pay the fee, what services fees would be charged for or the amount of the fees. However, the bill requires that the fee schedule and manner of implementation shall be set by DVA by administrative rule.</p>	Unknown	Unknown	
<p>WORKFORCE DEVELOPMENT (DWD)</p> <p>Child Support Receipt and Disbursement Fee [Page 1291, Item 2]. Create an annual fee of \$25 for the Department of Workforce Development's costs of receiving and disbursing child support payments. The fee would be payable by the person who is required to pay the support, and would be used to fund the centralized child support receipt and disbursement system. Currently, child support is received and disbursed by county clerks of court or support collection designees. These entities may collect an annual fee of up to \$25. This local fee would be repealed. These provisions would take effect on the earlier of: (a) the day DWD determines that the statewide child support receipt and disbursement system will take effect; or (b) October 1, 1999. The state fee is estimated to generate \$750,000 PR in 1998-99. Local fees would be reduced by a similar amount.</p>	See Text	See Text	
<p>TOTAL FEE INCREASES</p>	\$560,900 14,525,000 27,654,500 <u>485,100</u> \$43,225,500	\$950,100 29,330,400 56,827,700 <u>968,300</u> \$88,076,500	GPR PR SEG FED

FEES -- DECREASES			
Summary of Provision	Fee Decreases		
	1997-98	1998-99	
AGRICULTURE, TRADE AND CONSUMER PROTECTION (DATCP) Agrichemical Management Fund [Page 157, Item 3]. Temporarily reduce fees and surcharges paid by commercial feed and fertilizer manufacturers and pesticide manufacturers, labelers and applicators in 1998-99 and 1999-2000. Further, permanently reduce fees on certain nonhousehold pesticide products that are used in certain industrial or manufacturing processes.	- \$321,500	- \$3,701,300	SEG
Food Processing Reinspection Fees [Page 167, Item 11]. Restructure fees assessed when DATCP reinspects a food processing plant after a violation has occurred by creating a new fee class for plants with less than \$25,000 in annual production.	Minimal	Minimal	
COMMERCE Aviation Fuel Petroleum Inspection Fee Allowance [Page 307, Item 21]. Make purchasers of aviation fuel on which the petroleum inspection fee has been imposed eligible for reimbursement of two cents for each gallon of aviation fuel purchased in excess of one million gallons per month (Midwest Express).	- \$400,000	- \$400,000	SEG
CORRECTIONS Exemption from Probation and Parole Supervision Fees [Page 351, Item 8]. Allow Corrections to exempt probationers, parolees or persons on community supervision under minimum or administrative supervision from paying the required supervision fee for either of the following reasons: (a) the individual is undergoing treatment approved by Corrections and is unable to work; or (b) the individual has a statement from a physician certifying that the individual should be excused from working for medical reasons.	Unknown	Unknown	
HEALTH AND FAMILY SERVICES (H&FS) Funding for Publications on Abortions [Page 504, Item 12]. Repeal the authority of DHFS, county social services departments and county human services departments to charge a fee to persons or organizations that request abortion publications from DHFS.	\$0	\$0	
CBRF License Fees [Page 565, Item 23]. Modify provisions relating to license fees paid by community-based residential facilities (CBRFs) by specifying that the per resident fee, which is added to the current biennial base fee of \$170, is a biennial, rather than annual fee. DHFS currently administers the per resident fee as a biennial, rather than an annual fee.	\$0	\$0	

FEES -- DECREASES

Summary of Provision	Fee Decreases		
	1997-98	1998-99	
INSURANCE			
<p>HIRSP-Program Modifications and Transfer [Page 615, Item 3].</p> <p><i>Insurer Assessments.</i> provide that all remaining unfunded costs of the program, after deducting enrollee premiums and GPR funding for the program, shall be met: (1) 50% by further reducing the rate of provider reimbursement from the current 10% discount; and (2) 50% from insurer assessments. Under this provision, insurer assessments which under current law cover all unfunded costs of the program, would be reduced to only cover 50% of all unfunded program costs after applying the appropriated GPR and enrollee premiums.</p> <p><i>Enrollee Premiums.</i> Provide that, notwithstanding the requirement to set enrollee premium rates at a level to cover 60% of the net plan costs of the plan, such rate may not be less than 150% nor more than 200% of the rate that a standard risk would be charged under an individual policy providing substantially the same coverage and deductible as would be provided under HIRSP. Enrollee premiums would be reduced, due to the additional GPR provided to reduce total plan costs, from an estimated 185% of the standard market rate to an estimated 150% of the standard market rate.</p>	Unknown	Unknown	
<p>HIRSP-Elimination of Insurer Penalty Provisions [Page 624, Item 5]. Effective January 1, 1998, repeal the current law requirement that whenever a person becomes eligible for and obtains coverage under HIRSP due either to notice of cancellation or reduction in health insurance coverage or notice of a substantial policy-specific premium increase (50% or more), the Commissioner is directed to require the health insurer issuing that notice to pay an assessment of \$1,750.</p>	Unknown	Unknown	
JUSTICE			
<p>DNA Crime Lab Initiative and Fee [Page 659, Item 13]. Repeal the \$250 DNA surcharge imposed on burglary convictions (was declared unconstitutional by the Court of Appeals and is no longer being collected. DNA surcharge on sexual assault convictions would continue to be imposed).</p>	\$0	\$0	
NATURAL RESOURCES (DNR)			
<p>Regulation of Private Fish Farming [Page 753, Item 26]. Delete the authority and fees for fish hatchery licenses issued by DNR as part of shifting regulatory oversight of fish farming to DATCP effective January 1, 1998.</p>	- \$10,000	- \$20,000	SEG
<p>Hearing Request Fee [Page 842, Item 27]. Delete the \$25 fee charged by DNR for any person requesting a hearing on an application to issue a water regulation permit or other proceedings involving navigable waters, harbors or navigation (Chapter 30).</p>	- \$600	- \$600	PR

FEES -- DECREASES

Summary of Provision	Fee Decreases		
	1997-98	1998-99	
Regulation of Water Ski Platforms and Jumps [Page 843, Item 30]. Provide that a riparian property owner may place a water ski platform or water ski jump in a navigable waterway without obtaining a permit if certain requirements are met.	- \$2,000	- \$2,000	PR
Eliminate Fees for Agricultural Clean Sweeps [Page 769, Item 7]. Eliminate hazardous wastes fees collected under a "Clean Sweep" program for disposal of agricultural hazardous wastes.	- \$2,000	- \$2,000	SEG
TRANSPORTATION			
Decrease Registration Fees for Certain Camping Trailers and Mobile Homes [Page 1123, Item 17]. Decrease annual registration fees for camping trailers over 3,000 pounds and over 25 feet in length and for mobile homes over 25 feet in length from \$18 to \$15.	- \$40,400	- \$40,400	SEG
Farm Semitrailer Registration [Page 1125, Item 22]. Eliminate the \$5 annual registration fee for farm semitrailers and instead allow such semitrailers to be permanently registered (until ownership is transferred) for \$50. Allow currently registered farm semitrailers to establish permanent registration (until ownership is transferred) for \$5.	- \$1,500	- \$1,500	SEG
TOTAL FEE DECREASES	- \$775,400 <u>- 2,600</u> - \$778,000	- \$775,400 <u>- 2,600</u> - \$778,000	SEG PR

ENHANCED COLLECTION MEASURES

Summary of Provision	Additional Revenues		
	1997-98	1998-99	
GENERAL FUND TAXES			
Sales and Use Tax Agreements With Direct Marketers [Page 85, Item 1]. Authorize the Department of Revenue (DOR) to enter into agreements with direct marketers about the collection of state and local sales and use taxes. The fiscal estimate assumes that an agreement would take effect on January 1, 1998, and that shipping and handling charges would be excluded from taxation.	\$6,800,000	\$29,300,000	GPR
Tax Amnesty [Page 103, Item 1]. Require the Department of Revenue (DOR) to develop and implement a tax amnesty program.	\$0	\$40,000,000	GPR
CORRECTIONS			
Setoff of Fees Owed for Supervision of Probationers and Parolees [Page 352, Item 11]. Authorize the DOR to certify unpaid fees for providing supervision and services to probationers and parolees for setoff against state income tax refunds and credits. Under this provision, DOR would offset the unpaid fees against tax refunds or refundable credits and return the amounts to Corrections.	Unknown	Unknown	
REVENUE			
Revenue Field Auditors/Audit Software [Page 954, Item 2]. Provide \$590,400 GPR in 1997-98 and \$658,800 GPR in 1998-99 and 12.0 revenue auditors beginning in 1997-98. Estimate that the additional audit activity associated with the revenue auditor positions would generate additional tax collections in 1998-99. In addition, provide \$105,000 GPR in 1997-98 and \$80,000 GPR in 1998-99 to purchase individual income tax audit software. Estimate additional general fund revenues of \$2,000,000 annually due to audits selected through the software.	\$2,000,000	\$10,400,000	GPR
Electronic Funds Transfer [Page 958, Item 9]. Authorize the Department of Revenue to require electronic funds transfer for payments or deposits of individual income (withholding), corporate income and franchise, sales and use and cigarette taxes when the amounts to be paid or deposited reach certain thresholds. Electronic funds transfer would result in earlier tax collections and, thus, increase interest earnings for the general fund.	\$461,800	\$1,100,000	GPR
HEALTH AND FAMILY SERVICES (H&FS)			
MA Estate Recovery -- Expand Recovery Options [Page 482, Item 24]. Enhance DHFS's options to pursue estate recoveries by: (a) amending probate law to allow DHFS to recover funds from joint bank accounts and payable-on-death bank accounts; (b) allowing guardians to probate a decedent's estate through the transfer by affidavit process; and (c) authorizing DHFS to establish a reasonable payment schedule subject to reasonable interest if the heirs wish to satisfy a claim without selling a nonliquid asset that is subject to recovery.	\$147,900	\$295,700	PR
TOTALS	\$9,261,800 147,900 <u>\$9,409,700</u>	\$80,800,000 295,700 <u>\$81,095,700</u>	GPR PR

ATTACHMENT 1

Current and Proposed License Renewal Fees

Credential Type	Pre-Act 27	Renewal Fee		Act 27	Credential Type	Pre-Act 27	Renewal Fee		Act 27
		Gov	JFC				Gov	JFC	
Accountant, Certified Public	\$47	\$46	\$47	\$47	Land Surveyor	\$73	\$68	\$69	\$69
Accountant, Public	41	42	41	41	Landscape Architect	41	40	41	41
Accounting Corporation or Partnership	41	40	41	41	Manicuring Establishment	41	40	41	41
Acupuncturist	95	72	73	73	Manicuring Instructor	138	111	112	112
Advanced Practice Nurse Prescriber	41	40	41	41	Manicuring School	85	117	118	118
Aesthetician	70	76	77	77	Manicuring Specialty School	41	40	41	41
Aesthetics Establishment	116	40	41	41	Manicurist	52	77	78	78
Aesthetics Instructor	117	141	142	142	Marriage and Family Therapist	63	65	66	66
Aesthetics School	74	114	115	115	Nurse, Licensed Practical	49	47	48	48
Aesthetics Specialty School	41	40	41	41	Nurse, Registered	46	45	46	46
Appraiser, Real Estate, Certified General	82	94	95	95	Nurse-Midwife	41	40	41	41
Appraiser, Real Estate, Certified Residential	82	100	101	101	Nursing Home Administrator	114	101	102	102
Appraiser, Real Estate, Licensed	49	71	72	72	Occupational Therapist	42	41	42	42
Architect	46	43	44	44	Occupational Therapy Assistant	41	41	42	42
Architectural or Engineering Corporation	41	40	41	41	Optometrist	69	57	58	58
Auction Company	41	40	41	41	Pharmacist	76	74	75	75
Auctioneer	41	99	100	100	Pharmacy	41	40	41	41
Audiologist	41	43	44	44	Physical Therapist	45	45	46	46
Barber or Cosmetologist	48	51	52	52	Physician (MD & DO)	102	109	110	110
Barbering or Cosmetology Establishment	41	40	41	41	Physician Assistant	48	50	51	51
Barbering or Cosmetology Instructor	83	138	139	139	Podiatrist	187	179	180	180
Barbering or Cosmetology Manager	52	60	61	61	Private Detective	212	177	178	178
Barbering or Cosmetology School	78	137	138	138	Private Detective Agency	41	40	41	41
Cemetery Authority	372	342	343	343	Private Practice School Psychologist	65	66	67	67
Cemetery Preneed Seller	59	60	61	61	Professional Counselor	53	54	55	55
Cemetery Salesperson	65	89	90	90	Professional Fund-Raiser	54	60	61	61
Chiropractor	151	161	162	162	Psychologist	124	106	107	107
Dental Hygienist	41	40	41	41	Real Estate Broker	106	124	125	125
Dentist	96	97	98	98	Real Estate Business Entity	72	70	71	71
Designer of Engineering Systems	41	46	47	47	Real Estate Salesperson	70	72	73	73
Dietitian	41	40	41	41	Respiratory Care Practitioner	42	41	42	42
Drug Distributor	41	40	41	41	Security Guard	41	40	41	41
Drug Manufacturer	41	40	41	41	Social Worker	43	43	44	44
Electrologist	56	76	77	77	Social Worker, Advanced Practice	47	45	46	46
Electrology Establishment	41	40	41	41	Social Worker, Independent	41	48	49	49
Electrology Instructor	73	85	86	86	Social Worker, Independent Clinical	50	56	57	57
Electrology School	63	70	71	71	Speech-Language Pathologist	46	43	44	44
Electrology Specialty School	41	40	41	41	Time-Share Salesperson	102	60	61	61
Engineer, Professional	43	42	43	43	Veterinarian	80	81	82	82
Fund-Raising Counsel	41	42	41	41	Veterinary Technician	42	41	42	42
Funeral Director	94	143	144	144					
Funeral Establishment	41	40	41	41					
Geologist, Professional	41	41	42	42					
Hearing Instrument Specialist	287	199	200	200					
Interior Designer	41	40	41	41					



ATTACHMENT 2

Operator's License, Identification Card and Motorcycle Registration Fees

	<u>Pre-Act 27 Fee</u>		<u>Fee Under Act 27</u>	
	<u>Total</u>	<u>Per Year</u>	<u>Total</u>	<u>Per Year</u>
Operator's Licenses				
Class D				
Original	\$15	\$7.50 or \$5 ⁽¹⁾	\$18	\$9 or \$6 ⁽¹⁾
Renewal	10	2.50	24	3
Class A, B & C/Endorsements				
Original	\$32	\$8	\$64	\$8
Renewal	32	8	64	8
Class M/Endorsements				
Original	\$4	\$1	\$12	\$1.50
Renewal	4	1	8	1
Instructional permit	20	N.A.	22	N.A.
Identification Cards				
Original	\$4	\$1	\$9	\$2.25
Renewal	4	1	9	2.25
Duplicate	3	N.A.	6	N.A.
Motorcycle Registration	\$20	\$10	\$23	\$11.50

⁽¹⁾ The fees per year for original licenses depend upon the type of original license. Some original licenses are valid for three years after the date of the applicant's next birthday, while others are valid for two years after the applicant's next birthday. The bill would not change these periods.