

FISCAL ESTIMATE

DOA-2048 N(R 10/98)

ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

List both LRB No. and Bill/Adm. Rule No. AB 715 / LRB-4155/1
Amendment No. (If Applicable)

Subject
Facsimile Solicitations

Fiscal Effect
 State: No State Fiscal Effect
 Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation

Increase Existing Appropriation Increase Existing Revenues
 Decrease Existing Appropriation Decrease Existing Revenues

Create New Appropriation

Increase Costs - May be possible to Absorb Within Agency's Budget Yes No

Decrease Costs

Local: No local government costs

1. Increase Costs
 Permissive Mandatory

2. Decrease Costs
 Permissive Mandatory

3. Increase Revenues
 Permissive Mandatory

4. Decrease Revenues
 Permissive Mandatory

5. Types of Local Governmental Unit Affected:

Towns Villages Cities
 Counties Others _____
 School Districts WTCS Districts

Fund Source Affected
 GPR FED PRO PRS SEG SEG-S

Affected Ch. 20 Appropriations
20.115(8)(jm)

Assumptions Used in Arriving at Fiscal Estimate

This bill directs DATCP to develop systems to register persons who do not wish to be solicited by facsimile and, register marketers who wish to solicit by facsimile to Wisconsin residents. It also requires DATCP to investigate and seek penalties against violators most of whom are located outside of Wisconsin.

In 1999, the department received 162 complaints about transactions that were initiated by use of facsimile machines. The Department projects that a majority of Wisconsin businesses will register under this new law. It is unclear how many facsimile machines are used for personal, family, or household purposes.

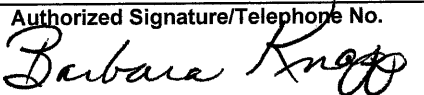
The Department assumes that registration will be made available through a toll-free telephone system as well as on-line forms on the Department's Internet site. In order to ensure the validity of the directory as the population moves and changes phone numbers, consumer listings in the directory will have to be renewed frequently.

The Department will require significant technological support to create and maintain registrations of this magnitude. Because these systems will have to be created and populated with consumer information before solicitors could be registered and fees collected, the Department estimates a one time workload of 6,000 hours and one time associated technology costs will be necessary prior to registration fees are available to support enforcement and administration of this law. To accomplish this, the Department will require 3.5 positions for initial population of the list and continued list production.

Complaints regarding facsimile solicitations will increase dramatically once the rules are in place and publicized. The Department estimates of those, 100 complaints per year will require assignment to investigative staff for detailed investigation. Typically, these investigations will involve multiple victims and multiple jurisdictions. The Department will require 1.0 FTE investigator for enforcement activities.

The Department estimates this additional annual workload administer and enforce the law will also require 1.0 FTE

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 DATCP

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Date
 2/21/00

consumer complaint supervisor.

Based on these assumptions, the department estimates there will be a one-time cost of \$78,800 in year 1 for rule writing and technological setup, and a one-time cost of \$229,200 to populate the list before registration of solicitors can commence for a total one-time cost of \$308,000. Ongoing annual costs of \$229,200 would be offset through license fees. The department believes there are relatively few businesses that fax solicitations. This will result in the amount of funding available through registration fees to be minimal. Therefore, the department assumes GPR funds will be necessary to support this program.

Long – Range Fiscal Implications

A minimal amount of registration fees paid by solicitors will offset the annual cost. The Department assumes \$229,200 in general revenue will be necessary to support this bill.

FISCAL ESTIMATE WORKSHEET

1999 Session

Detailed Estimate of Annual Fiscal Effect

ORIGINAL

UPDATED

LRB or Bill No/Adm. Rule No.

Amendment No.

DOA-2047 (R10/94)

CORRECTED

SUPPLEMENTAL

AB 715

Subject

I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):

\$308,000 (Computer, Network, Programming, Workstations, Positions to populate the directory)

II. Annualized Costs:	Annualized Fiscal Impact on State Funds from:	
	Increased Costs	Decreased Costs
A. State Costs by Category		
State Operations - Salaries and Fringes	\$189,600.00	
(FTE Position Changes)	9.5	(- FTE)
State Operations - Other Costs	\$39,600	
Local Assistance		
Aids to Individuals and Organizations		
TOTAL State Costs by Category	\$229,200.00	
B. State Costs by Source of Funds	Increased Costs	Decreased Costs
GPR	\$229,200	
FED		
PRO/PRS		
SEG/SEG-S		
III. State Revenues	Increased Rev.	Decreased Rev.
<small>Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</small>		
GPR Taxes		
GPR Earned		
FED		
PRO/PRS		
SEG/SEG-S		
TOTAL State Revenues		

NET ANNUALIZED FISCAL IMPACT
STATE

LOCAL

NET CHANGE IN COSTS

\$229,200

NET CHANGE IN REVENUES

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