

FISCAL ESTIMATE FORM

1999 Session

- ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

LRB # 99-4009/1

INTRODUCTION # AB 725

Admin. Rule #

Subject

Suspension of licenses, permits and other credentials for failure to pay student loans

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 Units Affected:

- Towns Villages Cities
 Counties Others _____
 School Districts WTCS Districts

Fund Sources Affected

- GPR FED PRO PRS SEG SEG-S

Affected Ch. 20 Appropriations

Assumptions Used in Arriving at Fiscal Estimate:

This bill relates to the suspension of licenses, permits and other credentials for failure to pay student loans. Because the proposed legislation does not address the issue of how a state agency would determine whether an applicant for a credential has defaulted on a student loan, it is necessary to make an assumption. For the purposes of this estimate, it is assumed that some type of coordinating entity or agency would certify to each state agency that issues credentials or permits that an applicant is in default. This type of administrative concept would reflect the processes in place for delinquent taxes and child support on which the proposed legislation is modeled. Otherwise, each state agency would have to determine by itself whether an applicant is in default or have each licensed applicant self-certify whether or not he or she was in default.

Based on the assumption that the Department does not have to undertake its own investigative default determinations, it is estimated that the additional workload generated by this legislation can be absorbed with minimal cost to the Department by expanding current processes and procedures.

If the preceding assumptions relative to the administration of the legislation prove to be incorrect and the Department would have to pursue in-depth investigations to determine whether or not an applicant was in default of a student loan, the anticipated workload in terms of staff and time would be significant and would necessitate further evaluation.

Long-Range Fiscal Implications:

No long-range fiscal implications are anticipated at this time.

Prepared By: / Phone # / Agency Name

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Date

02/22/00

FISCAL ESTIMATE WORKSHEET

Detailed Estimate of Annual Fiscal Effect

1999 Session

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 Suspension of licenses, permits and other credentials for failure to pay student loans

I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):
 None

II. Annualized Costs:		Annualized Fiscal impact on State funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes		\$ 0	\$ -0
(FTE Position Changes)		(0 FTE)	(-0 FTE)
State Operations - Other Costs		0	-0
Local Assistance		0	-0
Aids to Individuals or Organizations		0	-0
TOTAL State Costs by Category		\$ 0	\$ -0
B. State Costs by Source of Funds		Increased Costs	Decreased Costs
GPR		\$ 0	\$ -0
FED		0	-0
PRO/PRS		0	-0
SEG/SEG-S		0	-0
State Revenues	<small>Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</small>	Increased Rev.	Decreased Rev.
GPR Taxes		\$ 0	\$ -0
GPR Earned		0	-0
FED		0	-0
PRO/PRS		0	-0
SEG/SEG-S		0	-0
TOTAL State Revenues		\$ 0	\$ -0

NET ANNUALIZED FISCAL IMPACT

STATE

LOCAL

NET CHANGE IN COSTS	\$ 0	\$ 0
NET CHANGE IN REVENUES	\$ 0	\$ 0

Prepared By: / Phone # / Agency Name Department of Commerce James Quast, 266-9292	Authorized Signature/Telephone No. <i>Louis Cornelius</i> Louis Cornelius/266-8629	Date 02/22/00
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