

Fiscal Estimate Narratives

DNR 2/12/02

LRB Number	01-4042/1	Introduction Number	AB-785	Estimate Type	Original
Subject					
Reports from counties to department of natural resources regarding timber cutting in county forests					

Assumptions Used in Arriving at Fiscal Estimate

Bill Summary: s. 28.11(6) Wis. Stats. requires county forests to file cutting reports at the completion of a timber harvest or, for ongoing harvests, at two-year intervals until the cutting is completed. In this manner the counties repay noninterest-bearing loans they have received previously through their partnership with the Department of Natural Resources. A severance tax of 20% of the stumpage value of the wood harvested is assessed to those counties having an outstanding loan balance. Those counties without a loan balance do not pay the 20% severance. Under current law there is still a requirement that counties file partial reports even when they have a zero loan balance. This bill would negate the requirement that counties file partial reports when they have a zero loan balance.

Fiscal Estimate: It is assumed in the estimate that it would take 20 minutes of cumulative time for the administrator, liaison and data entry person to sign off on each timber sale partial report. In CY 2001 there were 124 partial reports filed by the entire county forest system. Of those, 74, can be attributed to those counties not having an outstanding loan balance. Total time to process these reports is just over 24 hours of which 2/3 would be DNR time and 1/3 County time. At an average wage of \$22/hr. this amounts to \$528 of staff time. It is anticipated that this small time savings would be offset by added staff time on both county and state level to track partial sale filing and volume / value tracking on these sales. No postage was assigned the routing of these forms since they are commonly sent with other final reports, which would still be required.

Initial reprogramming costs at central office are anticipated at 100 hours of time. This would be a one-time cost, and would likely be contracted.

Long-Range Fiscal Implications

Even with reprogramming, it is anticipated that additional time would be needed by both county and DNR central office staff to track those counties and sales requiring partial reporting and subsequent severance invoicing.

Fiscal Estimate Worksheet - 2001 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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Subject		
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I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):		
\$6,000 reprogramming costs for timber sale tracking and severance billing.		
II. Annualized Costs:	Annualized Fiscal Impact on funds from:	
	Increased Costs	Decreased Costs
A. State Costs by Category		
State Operations - Salaries and Fringes	\$	
(FTE Position Changes)		
State Operations - Other Costs		
Local Assistance		
Aids to Individuals or Organizations		
TOTAL State Costs by Category	\$	\$
B. State Costs by Source of Funds		
GPR		
FED		
PRO/PRS		
SEG/SEG-S		
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)		
	Increased Rev	Decreased Rev
GPR Taxes	\$	\$
GPR Earned		
FED		
PRO/PRS		
SEG/SEG-S		
TOTAL State Revenues	\$	\$
NET ANNUALIZED FISCAL IMPACT		
	<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS	\$	\$
NET CHANGE IN REVENUE	\$	\$
Agency/Prepared By		
Authorized Signature		Date
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