

Fiscal Estimate - 2001 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number **01-4103/1** Introduction Number **SB-485**

Subject
 Procurement of toner cartridges

Fiscal Effect

State:

No State Fiscal Effect
 Indeterminate

<input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations	<input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues	<input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Decrease Costs
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Local:

No Local Government Costs
 Indeterminate

1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	5. Types of Local Government Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	

Fund Sources Affected **Affected Ch. 20 Appropriations**

GPR FED PRO PRS SEG SEGS

Agency/Prepared By	Authorized Signature	Date
DOA/ Kathleen Moore (608) 266-6497	Dick Wagner (608) 266-0653	3/6/02

Fiscal Estimate Narratives

DOA 3/6/02

LRB Number 01-4103/1	Introduction Number SB-485	Estimate Type Original
Subject Procurement of toner cartridges		

Assumptions Used in Arriving at Fiscal Estimate

Current law states that the Department of Administration or any state agency authorized to purchase materials is required to prepare standard specifications for all state purchases. The specifications must include requirements for the purchase of products made from recycled and recovered materials if their use is appropriate.

SB 485 requires DOA and authorized agencies to ensure that the specifications they develop prohibit the purchase of toner cartridges whose original manufacturer restricts remanufacturing of toner cartridges by anyone other than the original manufacturer.

The State Bureau of Procurement (DOA) reports that this bill has the potential to save state dollars since it seems to promote the purchase of remanufactured cartridges which can cost 60% less than original equipment cartridges. The state spends approximately \$3.0 - \$5.0 million per year on new cartridges. If remanufactured cartridges are purchased instead of new cartridges, this could save \$1.8 - \$3.0 million annually. Actual savings, however, will be lower since the quality of remanufactured cartridges varies making it difficult for the state to purchase only remanufactured cartridges.

The University of Wisconsin Hospitals and Clinics Authority and state legislative and judicial branches are exempt from this bill. These exemptions further decrease any possible savings.

Long-Range Fiscal Implications

Unknown.

Fiscal Estimate Worksheet - 2001 Session

Detailed Estimate of Annual Fiscal Effect

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LRB Number 01-4103/1		Introduction Number SB-485	
Subject			
Procurement of toner cartridges			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
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, ets.)			
	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	\$0	\$0	
NET CHANGE IN REVENUE	\$0	\$0	
Agency/Prepared By		Authorized Signature	Date
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