Fiscal Estimate - 2003 Session

| | Original | | Updated | | Corrected | | Supplemental | | |
|--|--|------------------------------------|--|----------|---------------|------------------|--|--|--|
| LRB | Number | 03-3533/1 | | Intro | duction Numb | er S | B-459 | | |
| Subject Gift card expiration dates and service charges | | | | | | | | | |
| Fiscal Effect | | | | | | | | | |
| | No State Fiscondeterminate Increase E Appropriat Decrease Appropriat Create Ne | e Existing tions Existing | Increase E Revenues Decrease E Revenues | _ | to abso | rb withir Yes | - May be possible n agency's budget ☑No s | | |
| Local: No Local Government Costs Indeterminate 1. Increase Costs Permissive Mandatory 2. Decrease Costs Permissive Mandatory Increase Revenue Counties Counties Counties Counties Counties Districts Districts | | | | | | | | | |
| Fund Sources Affected Affected Ch. 20 Appropriations GPR PRO PRO SEG SEGS 20.115(1)(a) | | | | | | | | | |
| Agency | y/Prepared E | Зу | Autho | orized S | Signature | | Date | | |
| DATCP | / Jim Rabbitt | t (608) 224-496 | 5 Barb l | Knapp (| 608) 224-4746 | | 2/25/2004 | | |

Fiscal Estimate Narratives DATCP 2/25/2004

| LRB Number 03-3533/1 | Introduction Number | SB-459 | Estimate Type | Original | | | |
|--|---------------------|--------|---------------|----------|--|--|--|
| Subject | | | | | | | |
| Gift card expiration dates and service charges | | | | | | | |

Assumptions Used in Arriving at Fiscal Estimate

This bill requires DATCP to write rules to define what is required for a disclosure to be "conspicuous". It also requires the rules to define what information must be disclosed about the terms and amount of service charges. Since this bill potentially affects a broad spectrum of businesses in Wisconsin, it is assumed that the process of writing these rules will take a minimum of two years. During that time the department assumes 0.5 FTE will be dedicated to the project. If the department uses a limited term employee to write the rules it is expected to cost \$20,900 to write the rules.

Consumer complaints are expected to rise significantly once consumers discover there are laws regulating gift cards. The department assumes 1,000 additional complaints per year resulting in 10 new in-depth investigations and court cases.

Based on these assumptions, the department anticipates the need for 1.0 new staff at a one-time cost of \$9,500 and ongoing cost of \$65,400.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2003 Session

Detailed Estimate of Annual Fiscal Effect

| ☑ Original ☐ Upo | dated Corrected | Supplemental | | | |
|--|--|---|--|--|--|
| LRB Number 03-3533/1 | Introduction Numb | per SB-459 | | | |
| Subject | | | | | |
| Gift card expiration dates and service | | | | | |
| I. One-time Costs or Revenue Impacannualized fiscal effect): | cts for State and/or Local Governme | nt (do not include in | | | |
| · | | | | | |
| | office set up, computers, telephones etc | | | | |
| II. Annualized Costs: | | Annualized Fiscal Impact on funds from: | | | |
| A State Coate by Cote | Increased Costs | Decreased Costs | | | |
| A. State Costs by Category | | | | | |
| State Operations - Salaries and Frin | | | | | |
| (FTE Position Changes) | (1.0 FTE) | | | | |
| State Operations - Other Costs | 17,500 | | | | |
| Local Assistance | | | | | |
| Aids to Individuals or Organizations | | | | | |
| TOTAL State Costs by Categor | y \$65,400 | \$ | | | |
| B. State Costs by Source of Funds | | | | | |
| GPR | 65,400 | | | | |
| FED | | | | | |
| PRO/PRS | | | | | |
| SEG/SEG-S | | | | | |
| III. State Revenues - Complete this of | only when proposal will increase or | decrease state | | | |
| revenues (e.g., tax increase, decrea | se in license fee, ets.) | | | | |
| | Increased Rev | Decreased Rev | | | |
| GPR Taxes | \$ | \$ | | | |
| GPR Earned | | | | | |
| FED | | | | | |
| PRO/PRS | | | | | |
| SEG/SEG-S | | | | | |
| TOTAL State Revenues | \$ | \$ | | | |
| NET A | ANNUALIZED FISCAL IMPACT | | | | |
| | State | Local | | | |
| NET CHANGE IN COSTS | \$65,400 | \$ | | | |
| NET CHANGE IN REVENUE | \$ | \$ | | | |
| | | | | | |
| Agency/Prepared By | Authorized Signature | Date | | | |
| DATCP/ Jim Rabbitt (608) 224-4965 | Barb Knapp (608) 224-4746 | 2/25/2004 | | | |
| | | | | | |