



## Fiscal Estimate Narratives

DATCP 2/25/2004

LRB Number 03-3533/1	Introduction Number SB-459	Estimate Type Original
<b>Subject</b> 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     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> <b>03-3533/1</b>		<b>Introduction Number</b> <b>SB-459</b>	
<b>Subject</b>			
Gift card expiration dates and service charges			
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>			
\$30,400 Limited term employee plus office set up, computers, telephones etc. for permanent staff.			
<b>II. Annualized Costs:</b>		<b>Annualized Fiscal Impact on funds from:</b>	
		Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>			
State Operations - Salaries and Fringes		\$47,900	
(FTE Position Changes)		(1.0 FTE)	
State Operations - Other Costs		17,500	
Local Assistance			
Aids to Individuals or Organizations			
<b>TOTAL State Costs by Category</b>		<b>\$65,400</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>			
GPR		65,400	
FED			
PRO/PRS			
SEG/SEG-S			
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, ets.)</b>			
		Increased Rev	Decreased Rev
GPR Taxes		\$	\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
<b>TOTAL State Revenues</b>		<b>\$</b>	<b>\$</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>			
		State	Local
NET CHANGE IN COSTS		\$65,400	\$
NET CHANGE IN REVENUE		\$	\$
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	<b>Date</b>
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