

Fiscal Estimate - 2003 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 03-2647/1	Introduction Number AB-651
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Subject
 Omnibus collection and small claims bill

Fiscal Effect

State:

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

Local:

<input type="checkbox"/> No Local Government Costs		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
<input type="checkbox"/> Indeterminate		
1. <input type="checkbox"/> Increase Costs	3. <input type="checkbox"/> Increase Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
2. <input type="checkbox"/> Decrease Costs	4. <input type="checkbox"/> Decrease Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	

Fund Sources Affected	Affected Ch. 20 Appropriations
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input checked="" type="checkbox"/> PRO <input type="checkbox"/> PRS <input checked="" type="checkbox"/> SEG <input type="checkbox"/> SEGS (9)(mu)	

Agency/Prepared By DNR/ Joe Polasek (608) 266-2794	Authorized Signature Joe Polasek (608) 266-2794	Date 12/23/2003
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Fiscal Estimate Narratives
DNR 12/26/2003

LRB Number	03-2647/1	Introduction Number	AB-651	Estimate Type	Original
Subject					
Omnibus collection and small claims bill					

Assumptions Used in Arriving at Fiscal Estimate

Summary of Bill

The bill makes a series of changes related to small claims court, payment of attorney fees, disbursements that are recoverable, recovery of damages, actions by collection agencies, and payment of recreational approvals with worthless checks. The portion of the bill affecting the Department of Natural Resources (DNR) and described in this fiscal note is the provision that authorizes certain issuing agents appointed by the DNR to report to DNR all persons who pay for fish and game licenses, stamps, and other approvals with worthless checks. An issuing agent may make such a report after having attempted to receive payment from the person who paid for the approval. Upon receipt of the report, DNR must revoke the approval, and the approval holder must return the approval to DNR.

Fiscal Impact

The fiscal impact of the bill is limited by the fact that DNR already has the authority under s. 20.905 Wis stats to cancel or suspend approvals paid for with a bad check. DNR attorneys have reviewed this issue and determined that the authority already exists, and as a result the Department has been developing a process for implementation. License agents notify DNR of those payments that the license agent has been unable to collect. The agent notifies the license buyer of the fact that nonpayment has invalidated the license, and DNR suspends any license privilege where payment cannot be collected.

The primary difference between the Department's current plan and that proposed in AB 651 is that AB 651 requires DNR to send out the letters to persons who paid with a bad check. The fiscal impact of the bill is a one-time cost of \$5,000 to modify the Automated License Issuance System (ALIS), and an ongoing cost estimated at \$3,900 reflecting the cost to mail letters notifying the license holders of the nonpayment. More detail follows on the estimate assumptions.

Creation of Transaction Status Code in ALIS = \$5,000 one-time

Assume 750 agents (half of current agents) with 1 uncollectible check per agent

Assume 750 letters informing of revocation @ .31 each == \$232.50

Assume 187 manhours (15 minutes per instance) @ \$19.75 per hour = \$3,693

Total one-time cost of \$5,000 and ongoing cost of \$3,925.50, rounded to \$3,900.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2003 Session

Detailed Estimate of Annual Fiscal Effect

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Subject		
Omnibus collection and small claims bill		
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):		
Creation of Transaction Status Code in ALIS = \$5,000 one-time		
II. Annualized Costs:	Annualized Fiscal Impact on funds from:	
	Increased Costs Decreased Costs	
A. State Costs by Category		
State Operations - Salaries and Fringes	\$3,700	
(FTE Position Changes)		
State Operations - Other Costs	200	
Local Assistance		
Aids to Individuals or Organizations		
TOTAL State Costs by Category	\$3,900	
B. State Costs by Source of Funds		
GPR		
FED		
PRO/PRS		
SEG/SEG-S	3,900	
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		
	State	Local
NET CHANGE IN COSTS	\$3,900	\$
NET CHANGE IN REVENUE	\$	\$
Agency/Prepared By		
Authorized Signature		
Date		
DNR/ Joe Polasek (608) 266-2794	Joe Polasek (608) 266-2794	12/23/2003