

Fiscal Estimate Narratives

DNR 10/16/2003

LRB Number	03-3478/1	Introduction Number	AB-596	Estimate Type	Original
Subject					
Various changes to all-terrain vehicle laws					

Assumptions Used in Arriving at Fiscal Estimate

This bill provides changes and updates a number of areas administered within the ATV program. Specifically, this bill;

- Adds 1 FTE to the safety & education program to accommodate a proposed mandatory education requirement that is contained within this bill. Increases law enforcement spending authority by \$200,000 to accommodate the added safety & education FTE and for purposes of operating the mandatory education proposal. Assume \$87,000 is salary and fringe for the new positions and \$113,000 is supplies.
- Adds 4 FTE conservation warden positions and increases spending authority by \$556,000 to accommodate salary and operations associated with the 4 FTE. Assume \$208,000 is salary and fringe for the new FTE, and \$348,000 is for supplies.
- Increases county trail aides by \$871,000.
- Increases state forest maintenance aides by \$165,000
- Increases law enforcement aids to counties by \$70,000
- Provides \$100,000 to acquire equipment to check compliance with sound levels which are proposed within this bill.
- Provides \$30,000 to fund an ATV economic impact study which will be conducted by the Department of Tourism.
- Increases the appropriation from 20.370 (5) (cx) of the statutes derived from the schedule in section 20.005 (3) of the statutes by \$150,000. This portion of the bill reinstates a department grant for safety enhancements to previous funding levels.
- Increases operating while intoxicated penalties; for convictions with alcohol concentrations between .170 - .199, the fines are doubled; for convictions with alcohol concentrations between .20 to .249, the fines are tripled; for convictions with alcohol concentrations convictions above .250 the fines are quadrupled.
- Creates a nonresident trail pass with an assigned fee of \$17.25 and creates a penalty for violating the requirement to obtain a nonresident trail pass. In addition the bill authorizes the department to promulgate a rule that exempts certain ATV owners from the nonresident trail pass requirement. Also, the bill mandates that agents who sell nonresident trail passes shall collect \$.75 and that each agent may retain \$.50 of that fee. Lastly, regarding this segment, the bill allows the department to promulgate a rule for issuing nonresident trail passes.
- Mandates that ATV safety certification is required for all persons who are 12 years of age and who born on or after January 1, 1988. In addition, the bill proposes to exempt persons from WI safety certification if they are at least 12 and hold an ATV safety certificate from another state or province.
- Allows broader use of ATVs on private property by exempting safety certification for persons who operate on property that is not held open to the public.
- Sets a 96 decibel limit for ATV exhaust noise emissions and allows the DNR to promulgate rules for testing noise to ensure compliance.
- Increases the commercial registration certificate fee to \$90 for three plates and increases the fee for each additional plate to \$30.
- Increases the cost for transferring a registration certificate, duplicate certificate & decals, and municipality certificates to \$5.
- Increases the ATV motor fuel formula to from 25 gallons to 52 gallons.
- Increases the ATV public registration fee from \$12 to \$30.

Estimated Increased Revenues

Registration Increase* (2003-004)\$1,746,000 (2004-05)\$1,926,000
 Nonresident trail pass** (2003-004)\$209,100 (2004-05)\$255,000
 Gas Tax Increase*** (2003-004)\$1,342,700 (2004-05)\$1,498,985

Total Estimated Increased Revenues (2003-004)\$3,297,800 (2004-05)\$3,679,985

Estimated Expenditures

Mandatory Education - Salary and S-line \$200,000
Additional FTE Conservation Wardens positions- Salary and S-line \$436,000
Additional county trail funding \$871,000
State Forest, maint. funding \$165,000
Law enforcement aids to counties (sheriff patrols) \$70,000
ATV equipment (for checking sound compliance) \$100,000
Increased S-line for warden enforcement operations \$120,000
Restoration of Safety Enhancement Grant \$150,000
Economic Impact Survey conducted by the Department of Tourism \$30,000
Total Expenditures \$2,142,000

Total Estimated balance including increases (2003-04) \$3,297,800 (2004-05)\$3,679,985
Total Estimated Expenditures (2003-04) \$2,142,000 (2004-05)\$2,422,000
SEG Balance (2003-04) \$1,155,800 (2004-05)\$1,257,985

* Registration only includes new monies derived from \$18 additional revenue based on 97,000 machines (03-04) and 107,800 machines (04-05)

** Estimate for nonresident trail passes expected to be sold

*** Gas tax only includes new monies derived from 52 gallons (or 27 additional gallons). The 25 gallons already formulated are not included in the figures.

The Department will incur one-time costs to implement this proposal. One cost will be to issue new registration forms to reflect the new fees. Issuing new forms does not eliminate the use of the old forms that are still in circulation and reflect the old fee schedule. The use of these old forms can cause registration applications to be rejected when the customer submits the wrong fee amount. About 80,000 ATV's are registered each year, and the rejection rate is likely to be 50% the first year and 25% the second year, after which the rejections will taper off. Since each rejection will cost approximately \$1.50 in materials, postage and staff time, the cost of the rejections will be \$60,000 (80,000 x 50% x \$1.50) in the first year and \$30,000 (80,000 x 25% x \$1.50) in the second year.

Creating new approvals in the Automated License Issuance System (ALIS) would cost up to \$50,000, largely because the change would occur outside the normal update cycle, which has already begun for the 2004 license year. If the effective date were April 1, 2005 the new approval could be built into the next cycle and would cost less.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2003 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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Subject			
Various changes to all-terrain vehicle laws			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
There would be one-time costs of \$140,000 to implement the new fees and issue new registration forms.			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
	State Operations - Salaries and Fringes	\$295,000	
	(FTE Position Changes)	(5.0 FTE)	
	State Operations - Other Costs	756,000	
	Local Assistance	941,000	
	Aids to Individuals or Organizations	150,000	
	TOTAL State Costs by Category	\$2,142,000	\$
B. State Costs by Source of Funds			
	GPR		
	FED		
	PRO/PRS		
	SEG/SEG-S	2,142,000	
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	3,297,800	
	TOTAL State Revenues	\$3,297,800	\$
NET ANNUALIZED FISCAL IMPACT			
		State	Local
	NET CHANGE IN COSTS	\$2,142,000	\$
	NET CHANGE IN REVENUE	\$3,297,800	\$941,000
Agency/Prepared By		Authorized Signature	Date
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