

Fiscal Estimate - 2003 Session

Original Updated Corrected Supplemental

LRB Number 03-4087/1	Introduction Number AB-810	
Subject Snowmobile safety certification program		
Fiscal Effect		
State:		
<input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs		
Local:		
<input type="checkbox"/> No Local Government Costs <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		
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		
Fund Sources Affected		
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input checked="" type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS		
Affected Ch. 20 Appropriations		
Agency/Prepared By	Authorized Signature	Date
DNR/ Joe Polasek (608) 266-2794	Joe Polasek (608) 266-2794	2/9/2004

Fiscal Estimate Narratives

DNR 2/10/2004

LRB Number	03-4087/1	Introduction Number	AB-810	Estimate Type	Original
Subject					
Snowmobile safety certification program					

Assumptions Used in Arriving at Fiscal Estimate

Bill Summary

This bill eliminates the option for children under 16 years of age to acquire snowmobile certification using the Department's CD ROM learning course.

Fiscal Effect

The net fiscal effect of the bill for ongoing costs is zero. The ongoing costs for the snowmobile certification program will increase, but will be offset by less spending in other areas of snowmobile education. There will be no impact on revenues.

Additional one-time costs would be incurred to inform the public that the CD ROM option for under 16 no longer exists. This media campaign is estimated to cost \$5,000-\$10,000 depending on types and quantity of media used, broadcast times and contract periods available.

The Department supervises two instructional methods that are used to certify students so they can legally operate a snowmobile. One method is via classroom through volunteer instructors, the other certification method is through a CD ROM learning course.

Regardless of the method used to become certified, each student must submit \$10 to the Department. The \$10 is used to pay for education materials used with the safety education program. However, the classroom certification method allows instructors to retain up to \$5 per student (to offset classroom expenses).

The first year of CD ROM implementation (FY 03), the Department received 896 student applications for CD certification. From the 896 students, 707 applications came from students under the age of 16. The program revenue generated from the under 16 students was approximately \$7,000.

Half-way through FY 04, the number CD ROM certified students is 708. The revenue generated from this number students is approximately \$7,000. An additional \$7,000 is expected to be generated from students who are expected to complete the CD course during the remainder of FY 04.

It is assumed the annual, minimum number of CD ROM students will remain at or above 1,400 (1,400 X \$10 = \$14,000). The bill would require those 1,400 students to attend classroom instruction and as a result, the instructors' estimated expenses are expected to increase by \$7,000 (1,400 X \$5). This increase will be funded by existing student fee revenues.

A single CD ROM that is used to certify a student, including shipping costs, is approximately \$1.66. The cost of materials (including shipping) used in the classroom is approximately \$3.54.

If the 1,400 students under 16 are required to attend classroom training, there would be an expected increase in costs of approximately \$2,600 ($\$3.54 - 1.66 = \$1.88 \times 1,400 \text{ students} = \$2,632$). These costs are in addition to the volunteer instructor classroom costs. This increase will be funded by existing student fee revenues.

The increased costs for classroom training would be funded by reallocating spending from other snowmobile education areas, resulting in fewer CD revisions, student manual upgrades, classroom teaching aids and instructor training/workshop opportunities. This reduced spending impact is long-term and is expected to be at least \$9,600 annually.

Summary

Department ongoing expenses for the snowmobile certification program would increase by an estimated \$9,600 annually. Department ongoing expenses for other snowmobile education activities would decrease by an estimated \$9,600 annually.

Additional one-time costs would be incurred to inform the public that the CD ROM option for under 16 no longer exists. This media campaign is estimated to cost \$5,000-\$10,000 depending on types and quantity of media used, broadcast times and contract periods available.

There is no impact on revenues.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2003 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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Subject			
Snowmobile safety certification program			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
\$5,000 - 10,000 for public service announcements via various media			
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	9,600		-9,600
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category	\$9,600		\$-9,600
B. State Costs by Source of Funds			
GPR			
FED			
PRO/PRS	9,600		-9,600
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, etc.)			
		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	\$
NET CHANGE IN REVENUE		\$	\$
Agency/Prepared By		Authorized Signature	Date
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