

Fiscal Estimate - 2003 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 03-0874/1	Introduction Number AB-969
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Subject
 Increase the required recycled content of plastic containers

Fiscal Effect

State:

No State Fiscal Effect
 Indeterminate
 Increase Existing Appropriations
 Increase Existing Revenues
 Decrease Existing Appropriations
 Decrease Existing Revenues
 Create New Appropriations

Increase Costs - May be possible to absorb within agency's budget
 Yes No
 Decrease Costs

Local:

No Local Government Costs
 Indeterminate

1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenue <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
2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	

Fund Sources Affected	Affected Ch. 20 Appropriations
<input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS s. 20.115(1)(a)	

Agency/Prepared By	Authorized Signature	Date
DATCP/ Tom Stoebig (608) 224-4944	Barb Knapp (608) 224-4746	3/23/2004

Fiscal Estimate Narratives

DATCP 3/23/2004

LRB Number	03-0874/1	Introduction Number	AB-969	Estimate Type	Original
Subject					
Increase the required recycled content of plastic containers					

Assumptions Used in Arriving at Fiscal Estimate

This bill increases minimum recycled content requirements for plastic containers from the current 10% requirement under s. 100.297, Stats., to 25%, phased in over four years; and limits allowable recycled materials for meeting recycled content requirements to postconsumer waste products. Exemptions from minimum recycled content requirements are expanded to include drugs, medical devices, infant formula and medical food regulated under the federal Food, Drug and Cosmetic Act; and products subject to federal hazardous materials packaging regulations adopted by the U.S. Dept of Transportation.

Fiscal costs associated with this bill will depend upon industry compliance levels and compliance monitoring and enforcement efforts by the Department. Currently, only two states - California and Oregon - have some type of minimum recycled content requirement for plastic containers. However, little can be derived from their compliance and enforcement experiences to date.

In 1996, the Department conducted a survey of industry groups and manufacturers to gauge compliance with the current 10% minimum recycled content law. Estimated costs for this survey were \$3,500 in LTE salaries, and \$1,500 in supplies and services. This study identified high compliance rates for many of the products subject to the revised recycled content requirements under this bill. The Department estimates higher compliance rates today. According to the American Plastics Council, many product manufacturers are already using containers which exceed a 25% postconsumer recycled content threshold.

The Department projects a small increase in one-time costs, estimated at \$1,500 in supplies and services, associated with information and education directed at national industry groups and product manufacturers. The Department does not anticipate any enforcement actions or prosecution referrals under the bill.

Long-Range Fiscal Implications

None

Fiscal Estimate Worksheet - 2003 Session

Detailed Estimate of Annual Fiscal Effect

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Subject	
Increase the required recycled content of plastic containers	
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):	
\$1,500 GPR for printing/copying and mailing costs associated with informational materials, etc. to industry groups and product manufacturers.	
II. Annualized Costs:	Annualized Fiscal Impact on funds from:
	Increased Costs Decreased Costs
A. State Costs by Category	
State Operations - Salaries and Fringes	\$0 0
(FTE Position Changes)	(0.0 FTE) (0.0 FTE)
State Operations - Other Costs	0 0
Local Assistance	0 0
Aids to Individuals or Organizations	0 0
TOTAL State Costs by Category	\$0 \$0
B. State Costs by Source of Funds	
GPR	0 0
FED	0 0
PRO/PRS (0)	0 0
SEG/SEG-S (0)	0 0
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	\$0 \$0
GPR Earned	0 0
FED	0 0
PRO/PRS (0)	0 0
SEG/SEG-S (0)	0 0
TOTAL State Revenues	\$0 \$0
NET ANNUALIZED FISCAL IMPACT	
	State Local
NET CHANGE IN COSTS	\$0 \$0
NET CHANGE IN REVENUE	\$0 \$0
Agency/Prepared By	
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Date	
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