

Fiscal Estimate Narratives

COMM 12/8/2003

LRB Number	03-3665/1	Introduction Number	SB-319	Estimate Type	Original
Subject					
Manufacturing competitiveness					

Assumptions Used in Arriving at Fiscal Estimate

This bill creates a Manufacturing Competitiveness Grant Program and a Manufacturing Competitiveness Board to administer the program. The purpose of the program is to provide grants to entities that assist Wisconsin manufacturers. Grants may be used to fund projects that assist manufacturers with improving productivity, reducing costs of operation, implementing new technology in the workplace, improving the skills of workers or other goals approved by the board for the benefit of state manufacturers. The bill creates a new continuing appropriation and statutory authority within the Department. The Program is one-time funded, with \$9,500,000 GPR allocated to the Department and \$500,000 GPR allocated to the Wisconsin Technical College System.

The bill does not provide separate funding to the Department to offset the expenses of facilitating the Manufacturing Competitiveness Board, to develop rules and marketing the program or to provide for an increase in staff workload. The Department anticipates that the board will meet once monthly until the program's funding is exhausted, with the first meeting being held in January of 2004. The Department further anticipates that the costs of facilitating the Board will include: coordinating and scheduling meetings, mailing and material development costs, printing, communications, and expense reimbursements. These costs are estimated to be a minimum of \$500 per meeting, for a total of \$3,000 in the first fiscal year, \$6,000 each succeeding full fiscal year. These costs are based on the assumption of a 9-person committee. The Department also anticipates that costs for marketing and promoting the Program, as well as developing administrative rules will be \$8,500. The bill will also increase the workload of existing staff members by coordinating Board activities, and reviewing applications for funding. The total costs to the Department are estimated to be \$11,500 in FY 04.

The Department anticipates the ability to absorb the increased costs and workload within existing program budgets and staffing allotments. The increased costs and workload may require the Department to internally reallocate resources; however, the Department does not anticipate that these costs will preclude the ability of the Department to perform its existing responsibilities.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2003 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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Subject			
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I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
\$1,011,500			
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	6,000	
	Local Assistance		
	Aids to Individuals or Organizations		
	TOTAL State Costs by Category	\$6,000	\$
B. State Costs by Source of Funds			
	GPR	6,000	
	FED		
	PRO/PRS		
	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, ets.)			
		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	\$6,000	\$
	NET CHANGE IN REVENUE	\$	\$
Agency/Prepared By		Authorized Signature	Date
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