

### Fiscal Estimate - 2003 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> 03-3446/2	<b>Introduction Number</b> SB-519
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**Subject**  
 Fire safety standards for cigarettes

**Fiscal Effect**

**State:**

No State Fiscal Effect  
 Indeterminate  
      Increase Existing Appropriations     
  Increase Existing Revenues     
  Increase Costs - May be possible to absorb within agency's budget  
      Decrease Existing Appropriations     
  Decrease Existing Revenues     
                                      Yes                                       No  
      Create New Appropriations                                       Decrease Costs

**Local:**

No Local Government Costs  
 Indeterminate

1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease 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
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<b>Fund Sources Affected</b>	<b>Affected Ch. 20 Appropriations</b>
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input checked="" type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.143 (3) (j)	

<b>Agency/Prepared By</b>	<b>Authorized Signature</b>	<b>Date</b>
COMM/ Landon Williams (608) 267-9382	Louie Cornelius (608) 266-8629	3/22/2004

## Fiscal Estimate Narratives

COMM 3/23/2004

LRB Number	<b>03-3446/2</b>	Introduction Number	<b>SB-519</b>	Estimate Type	<b>Original</b>
<b>Subject</b>					
Fire safety standards for cigarettes					

### Assumptions Used in Arriving at Fiscal Estimate

This bill creates statutory language requiring cigarette manufacturers to modify their product to conform to certain fire safety standards, and to apply to the Department for a fire safety certification. Under this bill, the Department is required to submit information regarding certified manufacturers to the Attorney General's office, and is required to promulgate administrative rules defining cigarette fire safety.

Under current law, manufacturers wanting to sell cigarettes in Wisconsin have to register with the Department of Justice. According to information provided by DOJ, the Department projects that 31 manufacturers would apply to the Department to certify that their cigarettes meet fire safety standards established by rule by the Department. The bill authorizes the Department to charge a fee for processing certifications.

The Department estimates that the code development work will require approximately 400 hours of labor to write the necessary rules to comply with the requirements of the bill. These costs are estimated at \$19,600. It is likely that the Department will be able to absorb the additional costs and workload associated with writing the administrative rules through its current administrative allocation. The Department also estimates that the annual costs of processing certifications to be approximately \$6,000. The Department estimates that it will be able to recoup those expenses through charging a fee for certifications. The Department assumes that all costs for enforcement and product testing will be incurred by the Department of Justice.

### Long-Range Fiscal Implications

## Fiscal Estimate Worksheet - 2003 Session

Detailed Estimate of Annual Fiscal Effect

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> 03-3446/2		<b>Introduction Number</b> SB-519	
<b>Subject</b> Fire safety standards for cigarettes			
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b> \$19,600			
<b>II. Annualized Costs:</b>		<b>Annualized Fiscal Impact on funds from:</b>	
		Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>			
State Operations - Salaries and Fringes (FTE Position Changes)	\$5,000		
State Operations - Other Costs	1,000		
Local Assistance			
Aids to Individuals or Organizations			
<b>TOTAL State Costs by Category</b>	<b>\$6,000</b>		<b>\$</b>
<b>B. State Costs by Source of Funds</b>			
GPR			
FED			
PRO/PRS	6,000		
SEG/SEG-S			
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>			
	Increased Rev	Decreased Rev	
GPR Taxes	\$	\$	
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
<b>TOTAL State Revenues</b>	<b>\$</b>	<b>\$</b>	
<b>NET ANNUALIZED FISCAL IMPACT</b>			
	<u>State</u>	<u>Local</u>	
NET CHANGE IN COSTS	\$6,000	\$	
NET CHANGE IN REVENUE	\$	\$	
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	<b>Date</b>
COMM/ Landon Williams (608) 267-9382		Louie Cornelius (608) 266-8629	3/22/2004