

Fiscal Estimate - 2005 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 05-1547/1	Introduction Number AB-211
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Subject
 Collection of fees, fines, forfeiture, and surcharges

Fiscal Effect

State:

No State Fiscal Effect
 Indeterminate

<input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations	<input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues	<input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Decrease Costs
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Local:

<input type="checkbox"/> No Local Government Costs <input type="checkbox"/> 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 checked="" type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input checked="" 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 checked="" type="checkbox"/> Towns <input checked="" type="checkbox"/> Village <input checked="" type="checkbox"/> Cities <input checked="" type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
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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	20.566 (1) (h)

Agency/Prepared By DOR/ Daniel Huegel (608) 266-5705	Authorized Signature Blair Kruger (608) 266-1310	Date 4/5/2005
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Fiscal Estimate Narratives

DOR 4/5/2005

LRB Number	05-1547/1	Introduction Number	AB-211	Estimate Type	Original
Subject					
Collection of fees, fines, forfeiture, and surcharges					

Assumptions Used in Arriving at Fiscal Estimate

Under current law, a county may hire a collection agency to collect unpaid fines and forfeitures imposed by the circuit court. Payments of fines and forfeitures must be in cash or by check.

Under the bill, a county could hire a debt collector to collect unpaid fines and forfeitures. Fines and forfeitures could be paid by credit card, debit card, or under a payment plan for which an administrative fee of no more than \$15 could be imposed. The Department of Revenue (DOR) does not have information to reasonably estimate how these law changes would affect collections of fines and forfeitures.

Under current law, a municipality or county may certify any debt, excluding unpaid property taxes, of \$20 or more owed to it to DOR for collection under the refund intercept program. The municipality or county must provide DOR with the debtor's social security number. DOR deducts the debts from any tax refunds due the debtor and remits collections to the municipality or county. On a quarterly basis, DOR bills municipalities and counties 2% of collections to recover its administrative costs.

Under the bill, a municipality or county could provide DOR with the debtor's operator's (driving) license number instead of a social security number. In addition, administrative costs would be charged to the debtor. Using a debtor's operator's license number could increase use of the refund intercept program and thus increase collections. DOR does not have information to reasonably estimate the increase in collections this bill could engender. Based on amounts intercepted by DOR in FY04, it is estimated that collecting administrative costs from the debtor instead of the county or municipality will increase local government revenues by about \$200,000 per year.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2005 Session

Detailed Estimate of Annual Fiscal Effect

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Subject			
Collection of fees, fines, forfeiture, and surcharges			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
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			
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category		\$	\$
B. State Costs by Source of Funds			
GPR			
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, 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		\$	\$
NET CHANGE IN REVENUE		\$	\$+200,000
Agency/Prepared By		Authorized Signature	
DOR/ Daniel Huegel (608) 266-5705		Blair Kruger (608) 266-1310	
		Date	
		4/5/2005	