

Fiscal Estimate - 2007 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 07-3378/2	Introduction Number AB-0811
Description Awarding procurements to woman-owned businesses, veteran-owned businesses, minority businesses, and small businesses	
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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs	
Local: <input checked="" type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs 3. <input type="checkbox"/> Increase Revenue 5. Types of Local Government Units Affected <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities 2. <input type="checkbox"/> Decrease Costs 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts	
Fund Sources Affected Affected Ch. 20 Appropriations <input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.143 (1) (a)	
Agency/Prepared By COMM/ Julie Keal (608) 266-6748	Authorized Signature Louie Cornelius (608) 266-8629
Date 2/21/2008	

Fiscal Estimate Narratives

COMM 2/21/2008

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Assumptions Used in Arriving at Fiscal Estimate

This bill requires Commerce to maintain a website to help the department of administration and any other agencies making purchases to comply with the procurement requirements of the bill. The Commerce website must include an up-to-date listing of the following types of businesses, including their locations, and the products and services they offer:

1. Veteran-owned businesses, as certified by the Department of Veterans Affairs. This information will be readily available.
2. Woman-owned businesses, as certified by the Department of Commerce. This information will be readily available.
3. Minority-owned businesses, as certified by the Department of Commerce. This information will be readily available.
4. Businesses owned by a person with a disability. No state entity currently certifies these businesses.
5. Small businesses with less than \$2.5 million in gross annual sales, or fewer than 25 FTEs. No state entity currently certifies these businesses.

Data from the Department of Workforce Development and the US Census estimate that there are 449,000 disabled persons between the ages of 18 and 64 in Wisconsin. The US Census Bureau also estimates that there are 101,000 businesses with 20 or fewer employees in Wisconsin. It was not possible to get information on businesses with fewer than 25 employees or less than \$2.5 million in gross annual sales, which is the definition in the bill. These data are not precise, but they do show the magnitude of the population of businesses that may be interested in being included on such a website. Commerce will need to verify the ownership and other defining characteristics of any business seeking inclusion on the website.

Because of the potentially large number of uncertified businesses that may seek inclusion on this listing, Commerce will need 2.0 FTE positions to administer the program. Costs of the positions will be:

Salaries -- \$91,500
Fringe -- \$41,700
Supplies -- \$16,000
Total -- \$149,200

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2007 Session

Detailed Estimate of Annual Fiscal Effect

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Description Awarding procurements to woman-owned businesses, veteran-owned businesses, minority businesses, and small businesses			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): None.			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes	\$133,200		\$
(FTE Position Changes)	(2.0 FTE)		
State Operations - Other Costs	16,000		
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category	\$149,200		\$
B. State Costs by Source of Funds			
GPR	149,200		
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			
	State	Local	
NET CHANGE IN COSTS	\$149,200		\$
NET CHANGE IN REVENUE	\$		\$
Agency/Prepared By		Authorized Signature	Date
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