

Fiscal Estimate Narratives

COMM 1/22/2008

LRB Number	07-2251/3	Introduction Number	SB-379	Estimate Type	Original
Description Fire safety performance standards for cigarettes, making an appropriation, and providing a penalty					

Assumptions Used in Arriving at Fiscal Estimate

2007 SB 379 requires that cigarettes sold in Wisconsin meet fire safety standards. Every cigarette manufacturer must certify to the Department that the cigarettes it wishes to sell in Wisconsin meet fire safety standards. Each certification must be forwarded by the Department to the Department of Justice. The cigarettes must be identified with a mark, approved by the Department, indicating that the cigarettes meet fire safety standards.

The workload associated with 2007 SB 379 will involve the processing of certifications submitted by 36 manufacturers, approval of the mark indicating that a cigarette meets fire safety standards, and enforcement activities. The Department estimates that the annual costs associated with this workload will be \$26,141 for .5 FTE position.

2007 SB 379 stipulates that a manufacturer must pay a fee of \$250 for each type of cigarette to be certified, and that a certification must be submitted every three years. The Department estimates that 36 manufacturers will submit certifications for 1,000 types of cigarettes, resulting in annual revenue of \$83,300. However, 2007 SB 379 does not indicate where this revenue will be deposited/credited (see Technical Memo).

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2007 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

LRB Number 07-2251/3		Introduction Number SB-379	
Description Fire safety performance standards for cigarettes, making an appropriation, and providing a penalty			
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	\$21,758		\$0
(FTE Position Changes)	(0.5 FTE)		(0.0 FTE)
State Operations - Other Costs	4,383		0
Local Assistance	0		0
Aids to Individuals or Organizations	0		0
TOTAL State Costs by Category	\$26,141		\$0
B. State Costs by Source of Funds			
GPR	0		0
FED	0		0
PRO/PRS (PRO)	26,141		0
SEG/SEG-S	0		0
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	\$0		\$0
GPR Earned	0		0
FED	0		0
PRO/PRS (PRO)	83,300		0
SEG/SEG-S	0		0
TOTAL State Revenues	\$83,300		\$0
NET ANNUALIZED FISCAL IMPACT			
	State		Local
NET CHANGE IN COSTS	\$26,141		\$0
NET CHANGE IN REVENUE	\$83,300		\$0
Agency/Prepared By		Authorized Signature	
COMM/ Debra Miller (608) 266-8603		Louie Cornelius (608) 266-8629	
		Date	
		1/22/2008	