



## Fiscal Estimate Narratives

SHS 10/5/2009

|  |           |                     |         |               |          |
|--|-----------|---------------------|---------|---------------|----------|
| LRB Number   | 09-3337/1 | Introduction Number | AB-0452 | Estimate Type | Original |
| <b>Description</b><br>The exemption of State Historical Society books from state printing requirements |           |                     |         |               |          |

### Assumptions Used in Arriving at Fiscal Estimate

The Wisconsin Historical Society supports AB-0452. A relatively minor change to a statute enacted in 1945 would enable the Wisconsin Historical Society Press to print books in the same fashion granted to the UW Press, and allow it to improve earned revenues from sales for the Society with no impact on GPR.

Under Wisconsin Statutes 35.01(3), the Society is exempted from using the state printing contract for its hard cover books and for the Wisconsin Magazine of History and the Society procures book printing by individual competitive bid. However, paperback books are not provided with this exemption. As a result, the Society has had challenges with the quality of the printing of its paperback publications, including returns by customers for refunds. The 1945 statute was intended to provide an exemption for all Society publications intended for resale. The use of the term "hard cover" in the law was designed to distinguish between more ephemeral printing that was not intended for retail sale as opposed to "books," which were sold on the retail market. In 1945, paperback books were a relatively new form of publication, and while the Society began to publish in paperback in the 1960s, it did not sell these in any significant numbers until the 1990s. Today, customers expect books to be available in high quality paperbacks. The requirement that paperback books intended for the retail market have to be printed on the state contract instead of by individual competitive bids puts the Society at a competitive disadvantage and hurts its ability to support its programs through earned revenue.

If the words "hard cover" were deleted from the statute as proposed in AB-0452, it would provide an exemption identical to that provided to the University of Wisconsin Press, which currently publishes both hardcover and paperback books and acquires all of its book printing by competitive bid. The result of this change will ensure that the most appropriate printer will be acquired for books for retail sales and thus assist the Society in generating earned revenues. This change would affect only about five printing jobs per year. All other Society printing would continue to be handled under the state printing contract.

### Long-Range Fiscal Implications