

Fiscal Estimate - 2015 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 15-1646/2	Introduction Number AB-0434
Description Carcass tags issued under fish and game laws; registration of carcasses of wild animals; methods of storing, retrieving, printing, and displaying fish and game approvals; counterfeiting or illegal alteration of fish and game approvals; forgery in applying for fish and game approvals or for registration of an all-terrain vehicle, utility terrain vehicle, or snowmobile; transfers of wolf harvesting licenses; the place of trial for a violation of certain fish and game laws; methods of issuing, retrieving, reprinting, duplicating, and exhibiting registration documents and safety certificates and proving registration for all-terrain vehicles, utility terrain vehicles, and snowmobiles; methods of issuing, retrieving, reprinting, duplicating, and exhibiting certification and registration documents for boats; methods of issuing, retrieving, reprinting, and exhibiting proof of a trail pass for all-terrain vehicles and utility terrain vehicles and of a trail use sticker for snowmobiles; suspension and revocation of a certificate of number or registration for a boat; reasonable suspicion for a law enforcement officer to stop an all-terrain vehicle, utility terrain vehicle, boat, or snowmobile; extending the time limit for emergency rule procedures; providing an exemption from emergency rule procedures; granting rule-making authority; making an appropriation; and providing penalties	
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 type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input checked="" type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input checked="" type="checkbox"/> Decrease Costs	
Local: <input 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 checked="" type="checkbox"/> SEG <input type="checkbox"/> SEGS	
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Date 10/27/2015	

Fiscal Estimate Narratives

DNR 10/27/2015

LRB Number	15-1646/2	Introduction Number	AB-0434	Estimate Type	Original
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Assumptions Used in Arriving at Fiscal Estimate

The bill allows for reprints of approvals and safety certificates and establishes a fee for reprints obtained at licensing agents, creates a conservation card for purposes of enabling the Department to access information about an individual in an electronic licensing and registration system, eliminates the validation and expedited service fees for agents completing recreational vehicle registrations, and creates a ATV/UTV and snowmobile temporary trail use receipt that authorizes legal operation on public trail corridors until the trail pass is received.

In addition, the bill eliminates the requirement for an antique snowmobile owner to display a trail pass while operating on a public snowmobile corridor, removes the requirement for the Department to issue a reflectorized plate to those holding commercial snowmobile certificates and instead requires the Department to issue a registration decal, and eliminates the back tag reservation system and associated fees.

I. BUREAU OF CUSTOMER & OUTREACH SERVICES

A. Costs

1. Antique Snowmobile Registrations

The elimination of the requirement for an owner of a snowmobile with antique registration to display a trail pass when operating on a snowmobile corridor will reduce annual costs to produce, insert and mail trail passes to the 2,932 current antique snowmobile registrants. Cost reductions are estimated to be \$1,800, which is comprised of an estimated \$500 reduction in production/print costs and a \$1,300 reduction in mailing/postage costs. An itemized list of cost reductions is provided below:

\$465 in production/print costs of 2932 letters/passes:

- \$185 to produce trail passes (\$0.063 each)
- \$94 to print cover letter (\$0.032 each)
- \$90 for DOA basic set up (\$30 per thousand)
- \$93 for DOA basic inserting [letter into envelope] (\$31 per thousand)
- \$3 for DOA additional inserting [trail pass into envelope] (\$1 per thousand)

\$1,325 in mailing/postage costs of 2932 pieces:

- \$1,146 in postage (\$0.391 each)
- \$129 in presort fees (\$0.044 each)
- \$50 in envelope cost (\$0.017 each)

Over the long-term, production/print and mailing/postage costs may be further reduced to the extent that more individuals opt to register their snowmobile as an antique because of the the free trail pass for antiques stipulated in 2013 Wisconsin Act 142.

2. Reflectorized Plates for Commercial Snowmobiles

Removing the requirement to issue reflectorized plates to commercial snowmobile certificate holders in place of issuing registration decals will reduce annual costs by an estimated \$400. The reflectorized plate and small expiration year decal currently issued costs approximately \$0.84 per plate, while the cost to create one registration decal is \$0.41 each. Therefore, with an average of 950 commercial snowmobile plates issued annually, the annual cost reduction is estimated at \$400 [(950 plates * \$0.84 per plate) – (950 plates * \$0.41/decal) = \$409].

3. Back Tag Reservation System

Eliminating the back tag reservation system would result in an estimated \$1,400 reduction in Department administrative costs. Approximately 40 hours per year is spent on administration of the back tag number reservation system at an average salary/fringe cost of \$33.83/hr. for a Natural Resources Program Specialist 1--(40 hours X \$33.83/hr. = \$1,354).

4. Administrative Rule Development

The Department will incur one-time costs to designate by administrative rule the following items:

- a. The forms of acceptable proof of a recreational vehicle registration, safety certificate, trail pass, temporary trail pass receipt, or approval
- b. Who may produce a reprint for approvals and safety certificates
- c. For which approvals and safety certificates a reprint may be produced
- d. How and where a reprint of an approval or safety certificate may be produced

Approximately 80 hours will be required to develop rules. Assuming salary/fringe costs of \$44.10/hr. for a Natural Resource Staff Specialist, one-time costs for rule development are estimated to be \$3,500 (\$44.10 x 80 = \$3,528).

5. Temporary Trail Pass for ATV/UTV/Snowmobile

The bill allows a person who has purchased an ATV/UTV or snowmobile trail pass to operate on a temporary trail use receipt until the pass itself arrives. The Department's licensing and vehicle registration systems are currently designed to produce temporary trail use receipts; therefore, no system programming costs would be incurred to comply with this provision of the bill.

6. Cost Summary

In summary, the bill is estimated to reduce annual operations costs by \$3,600 and require the Department to incur one-time costs for rule development by an estimated \$3,500.

B. Revenues

1. Back Tag Reservation System

Annual revenue generated from the \$4.50 back tag reservation fee would decrease by an estimated \$8,400. The estimate is based on fee revenues generated from the last 3 fiscal years (2013-2015).

2. Conservation Card

This bill establishes that the Department may issue a conservation card for the purpose of enabling it to access information electronically stored relating to an individual's approvals and recreational vehicle safety certificates. Should the Department choose to implement the conservation card provision of this bill, it is estimated that there would be a net revenue gain to the Department of \$2.00 per card; however, since the Department is unable to accurately determine the number of individuals that would opt to purchase a conservation card, the overall revenue impact is considered to be indeterminate.

3. Duplicate Approvals

The creation of a plain paper reprint product will reduce revenue generated from the sale of duplicate approvals and safety certificates by an estimated \$230,500/yr. This estimate is based on a 3-year average of revenue posted from FY 2013 to FY 2015.

The creation of a plain paper reprint product will add revenue from the sale of reprints at license agents. Under this bill, a license agent may charge a \$1.25 reprint fee and a \$0.75 issuing fee, for a total of \$2.00 per reprint. The agent retains \$0.50 of the issuing fee and collects a \$0.50 transaction fee from the Department, for a total of \$1.00, while the Department retains the other \$1.00.

Reprints may be obtained free of charge by printing on the customer's own computer or from a DNR Service Center.

The Department is unable to accurately estimate how many customers will chose to obtain reprints from agents for \$2 as opposed to reprinting themselves or having one printed for them free of charge at a DNR Service Center. Therefore, the extent to which revenue gained from the sale of the plain paper reprint product will offset the \$230,500 in revenue lost from elimination of the sale of duplicate license approvals and safety certificates is considered indeterminate.

4. Expedited Service Fees

The bill eliminates the \$5 expedited service fee charged for printing and providing decals at the point of sale. The Department retains \$1 of the fee when decals are printed and provided by a licensing agent (the other \$4 is retained by the agent), and it retains the entire \$5 fee when decals are printed and provided at a DNR service center. Based on fee revenues from the last 3 fiscal years (2013-2015), elimination of the expedited service fee would result in an annual revenue reduction of \$171,400.

5. Revenue Summary

In summary, the bill is estimated to reduce annual revenue by \$410,300 [\$8,400 (back tag reservation fees) + \$230,500 (duplicate fees) + \$171,400 (expedited service fees)]. Increased revenue from the sale of conservation cards and from license/certificate reprint fees is considered to be indeterminate.

II. BUREAU OF LAW ENFORCEMENT

The bill makes a number of statutory clarifications and simplifications that will reduce administrative overhead for enforcement investigations by an indeterminate amount. Although this proposal aligns numerous penalty provisions through maximum penalty increases, maximum penalties can only be imposed by trial court judges and cannot be assigned by field law enforcement officers, so typical revenue from citation issuance is not expected to be impacted by this change.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2015 Session

Detailed Estimate of Annual Fiscal Effect

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I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): \$3,500 in salary/fringe costs for rule development	
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)	\$ \$-1,400
State Operations - Other Costs	-2,200
Local Assistance	
Aids to Individuals or Organizations	
TOTAL State Costs by Category	\$ \$-3,600
B. State Costs by Source of Funds	
GPR	
FED	
PRO/PRS	
SEG/SEG-S (Conservation)	-3,600
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 (Conservation)	-410,300
TOTAL State Revenues	\$ \$-410,300
NET ANNUALIZED FISCAL IMPACT	
	State Local

NET CHANGE IN COSTS	\$-3,600	\$
NET CHANGE IN REVENUE	\$-410,300	\$
Agency/Prepared By	Authorized Signature	Date
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