

Fiscal Estimate - 2015 Session

Original Updated Corrected Supplemental

LRB Number 15-1605/1		Introduction Number SB-621	
Description Changes to the electronic waste recycling program and granting rule-making authority			
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"/> Decrease Existing Appropriations		<input type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Create New Appropriations		<input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget	
		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
		<input 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	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
2. <input type="checkbox"/> Decrease Costs		4. <input type="checkbox"/> Decrease Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
5. Types of Local Government Units Affected			
<input type="checkbox"/> Towns		<input type="checkbox"/> Village <input type="checkbox"/> Cities	
<input type="checkbox"/> Counties		<input type="checkbox"/> Others	
<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 20.370 (2)(hr)			
Agency/Prepared By		Authorized Signature	Date
DNR/ Joe Polasek (608) 266-2794		Joe Polasek (608) 266-2794	2/8/2016

Fiscal Estimate Narratives

DNR 2/8/2016

LRB Number	15-1605/1	Introduction Number	SB-621	Estimate Type	Original
Description Changes to the electronic waste recycling program and granting rule-making authority					

Assumptions Used in Arriving at Fiscal Estimate

This bill makes changes to this state's electronic waste recycling program, known as "E-Cycle Wisconsin," which is administered by the Department of Natural Resources (DNR).

The main state fiscal impact in the proposed bill comes from a change to the tiered annual registration fees paid by electronics manufacturers to the DNR. The current law has three manufacturer registration fee levels, based on the units of covered electronics sold to Wisconsin households and schools during a program year: \$0, \$1,250 and \$5,000. The bill would change the ranges for the number of units sold under which each of these fee levels would apply.

- \$0 fee: current law is fewer than 25 units sold; bill would adjust to fewer than 250 units
- \$1,250 fee: current law is 25 to 249 units sold; bill would adjust to 250 to 499 units
- \$5,000 fee: current law is 250 or more units sold; bill would adjust to 500 or more units

Based on the number of manufacturers in the current 25 to 250 units sold category, the Department estimates an annual loss in registration fee revenue. For FY 2016, there are 32 manufacturers in this category, paying \$1,250 each for a total of \$40,000. This is a conservative estimate (the previous high for this category was 19 manufacturers in FY2015 for a total of \$23,750). The number of manufacturers in each fee category fluctuates based on changes in sales and the total number of registered manufacturers (which has increased significantly over the past two years).

It is possible there would be some additional revenue loss if there are manufacturers that sell between 250 and 500 units in the state, meaning they would pay a fee of \$1,250 instead of the current \$5,000. However, the DNR does not have data on the specific number of units each manufacturer sells, so we do not have a reliable way to estimate this.

Because more manufacturers have registered than originally estimated when the law was passed in 2009, we expect this decrease in revenue will not have a significant effect on core DNR work. The law does not add significant workload or long-term costs for the DNR, though because electronic reporting forms would need to be updated to reflect the bill's changes, there would be a one-time cost for IT work to make these updates. A rough estimate of the additional costs is \$6,400 in FY2016 and \$12,000 in FY2017. These costs would most likely be covered by existing revenue.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2015 Session

Detailed Estimate of Annual Fiscal Effect

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 Updated
 Corrected
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LRB Number 15-1605/1	Introduction Number SB-621	
Description Changes to the electronic waste recycling program and granting rule-making authority		
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):		
IT staff work to update electronic reporting forms during the first 1-2 years of implementing the changes--additional costs are estimated at \$6,400 in FY 2016 and \$12,000 in FY 2017.		
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		-40,000
TOTAL State Revenues	\$	\$-40,000
NET ANNUALIZED FISCAL IMPACT		
	<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS	\$	\$
NET CHANGE IN REVENUE	\$-40,000	\$
Agency/Prepared By	Authorized Signature	Date
DNR/ Joe Polasek (608) 266-2794	Joe Polasek (608) 266-2794	2/8/2016