

### Fiscal Estimate - 2017 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> <b>17-3586/2</b>	<b>Introduction Number</b> <b>AB-0384</b>
<b>Description</b> the expiration of administrative rules	
<b>Fiscal Effect</b>	
<b>State:</b> <input type="checkbox"/> No State Fiscal Effect <input checked="" type="checkbox"/> Indeterminate <div style="display: flex; justify-content: space-between;"> <div style="width: 30%;"> <input type="checkbox"/> Increase Existing Appropriations  <input type="checkbox"/> Decrease Existing Appropriations  <input type="checkbox"/> Create New Appropriations                 </div> <div style="width: 30%;"> <input type="checkbox"/> Increase Existing Revenues  <input type="checkbox"/> Decrease Existing Revenues                 </div> <div style="width: 30%;"> <input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget  <div style="display: flex; justify-content: space-around; font-size: small;"> <input type="checkbox"/> Yes      <input type="checkbox"/> No                     </div> <input type="checkbox"/> Decrease Costs                 </div> </div>	
<b>Local:</b> <input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate <div style="display: flex; justify-content: space-between;"> <div style="width: 30%;">                     1. <input type="checkbox"/> Increase Costs  <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory                      2. <input type="checkbox"/> Decrease Costs  <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory                 </div> <div style="width: 30%;">                     3. <input type="checkbox"/> Increase Revenue  <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory                      4. <input type="checkbox"/> Decrease Revenue  <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory                 </div> <div style="width: 30%;">                     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                 </div> </div>	
<b>Fund Sources Affected</b> <b>Affected Ch. 20 Appropriations</b> <input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	
<b>Agency/Prepared By</b> DOR/ Jamie Adams (608) 266-6785	<b>Authorized Signature</b> Robert Schmidt (608) 266-5773
<b>Date</b> 6/22/2017	

## Fiscal Estimate Narratives

DOR 6/22/2017

LRB Number	17-3586/2	Introduction Number	AB-0384	Estimate Type	Original
<b>Description</b> the expiration of administrative rules					

### Assumptions Used in Arriving at Fiscal Estimate

The bill provides for the expiration of each chapter of the Wisconsin Administrative Code after seven years, unless the chapter is readopted by the agency through the readoption process established under the bill.

The bill also requires that the Joint Committee for Review of Administrative Rules (JCRAR) establish a schedule for the expiration of all existing code chapters that are in effect on the effective date of the bill. Under the bill, in the year before the code chapter is set to expire, agencies may submit a readoption notice proposing to readopt the chapter to JCRAR and the appropriate standing committees. If no member of the JCRAR or the standing committees objects to the readoption notice, the chapter is considered readopted without further action. If any member of the JCRAR or either standing committee objects to the readoption of the chapter, the chapter expires on its expiration date unless the agency promulgates a rule to readopt the chapter using the standard rule-making process. JCRAR may extend the effective date of the chapter that is set to expire for up to one year to accommodate the readoption of the chapter through the standard rule-making process.

The fiscal effect of this bill is indeterminate and depends on which administrative code chapters are repealed or readopted and to what extent subsequent rules are promulgated. While the tax chapters of the administrative code include definitions and provide clarifications for taxpayers, some statutory provisions require DOR to promulgate rules. In addition, some rules are necessary for the proper administration of taxes even if not required by statute.

The repeal of tax chapters may hinder the department's ability to collect taxes and could result in a decrease in voluntary compliance.

Administrative costs are indeterminate and depend on the extent to which chapters are repealed and the staff time necessary to promulgate subsequent rules.

The bill also has an indeterminate local fiscal effect related to property taxes; assessment of agricultural property; shared revenue payments; the real estate transfer fee; and local sales taxes, which could be affected by changes to the sales and use tax chapter.

### Long-Range Fiscal Implications