

Fiscal Estimate - 2017 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 17-3762/1	Introduction Number AB-0445
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Description
 the Badger Health Benefit Authority, health benefit exchange operation, granting rule-making authority, and providing a criminal penalty

Fiscal Effect

State:

<input type="checkbox"/> No State Fiscal Effect	<input type="checkbox"/> Increase Existing Revenues	<input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Indeterminate	<input checked="" type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations	<input type="checkbox"/> Decrease Costs	

Local:

<input type="checkbox"/> No Local Government Costs	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 <u>0</u> <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts	
<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	

Fund Sources Affected	Affected Ch. 20 Appropriations
<input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	

Agency/Prepared By DOR/ Craig Steinfeldt (608) 266-5705	Authorized Signature Robert Schmidt (608) 266-5773	Date 7/26/2017
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Fiscal Estimate Narratives

DOR 7/26/2017

LRB Number	17-3762/1	Introduction Number	AB-0445	Estimate Type	Original
Description the Badger Health Benefit Authority, health benefit exchange operation, granting rule-making authority, and providing a criminal penalty					

Assumptions Used in Arriving at Fiscal Estimate

The bill creates a Wisconsin Health Benefit Exchange, administered by the Badger Health Benefit Authority. All property owned the authority would be exempt from property taxes, provided that the use is primarily related to the purposes of the authority. The bill also creates a franchise tax exemption for the authority and a sales tax exemption for purchases made by the authority.

The property tax exemption would cause a minimal property tax shift onto other taxable parcels in same the taxing jurisdictions where the authority purchases property. If the authority leases or purchases tax exempt state property, then there would be no impact.

The franchise tax exemption is expected to have no fiscal effect as the authority is expected to operate as a non-profit entity.

The sales and use tax exemption is expected to result in a minimal tax revenue decrease.

Long-Range Fiscal Implications