

### Fiscal Estimate - 2021 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> <b>21-2102/1</b>	<b>Introduction Number</b> <b>AB-0167</b>
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**Description**  
 requiring the Department of Financial Institutions to study and report on establishing a section 529A ABLE savings account program

**Fiscal Effect**

**State:**

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

**Local:**

<input type="checkbox"/> No Local Government Costs	<input type="checkbox"/> Indeterminate	<b>5. Types of Local Government Units Affected</b>		
1. <input type="checkbox"/> Increase Costs	3. <input type="checkbox"/> Increase Revenue	<input type="checkbox"/> Towns	<input type="checkbox"/> Village	<input type="checkbox"/> Cities
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Counties	<input type="checkbox"/> Others	0
2. <input type="checkbox"/> Decrease Costs	4. <input type="checkbox"/> Decrease Revenue	<input type="checkbox"/> School Districts	<input type="checkbox"/> WTCS Districts	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory			

<b>Fund Sources Affected</b>	<b>Affected Ch. 20 Appropriations</b>
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input checked="" type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	20.144(1)(g)

<b>Agency/Prepared By</b>	<b>Authorized Signature</b>	<b>Date</b>
DFI/ Kortney Anderson (608) 261-9559	Kortney Anderson (608) 261-9559	3/26/2021

## Fiscal Estimate Narratives

DFI 3/26/2021

LRB Number	<b>21-2102/1</b>	Introduction Number	<b>AB-0167</b>	Estimate Type	<b>Original</b>
<b>Description</b> requiring the Department of Financial Institutions to study and report on establishing a section 529A ABLE savings account program					

### Assumptions Used in Arriving at Fiscal Estimate

If enacted, this bill would require the Department of Financial Institutions (DFI) to study this state's options (either on its own or in alliance with one or more states) for establishing a qualified ABLE program under section 529A of the Internal Revenue Code. Pursuant to the bill, DFI would research the ABLE programs offered by other states or alliances of states, the current use of other states' programs by Wisconsin residents, the potential costs of implementing an ABLE program independently or in combination with other states, and legislative changes that may be needed to implement such a program. DFI would further evaluate the impact of implementing such a program upon Wisconsin residents' choice of ABLE programs, the tax benefits available to them, and the account fees imposed on them, and then submit written findings and recommendations to the legislature within six months after the bill becomes effective.

To carry out these tasks and make well-informed recommendations to the Legislature, DFI will need the assistance of one or more consultants with expertise and analytical insight into the costs and benefits of ABLE programs. DFI may also need to purchase existing data or analysis of ABLE programs for its consideration in this process. Based on preliminary inquiries concerning the cost of obtaining these data and analysis, as well as DFI's experience working with an outside consultant for the section 529 college savings program, DFI estimates that it would cost approximately \$50,000 to obtain expert services, data, and analytical materials necessary to carry out this study.

### Long-Range Fiscal Implications

## Fiscal Estimate Worksheet - 2021 Session

Detailed Estimate of Annual Fiscal Effect

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<b>Description</b> requiring the Department of Financial Institutions to study and report on establishing a section 529A ABLE savings account program		
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>		
<b>II. Annualized Costs:</b>		
	<b>Annualized Fiscal Impact on funds from:</b>	
	Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>		
State Operations - Salaries and Fringes	\$	\$
(FTE Position Changes)		
State Operations - Other Costs	50,000	
Local Assistance		
Aids to Individuals or Organizations		
<b>TOTAL State Costs by Category</b>	<b>\$50,000</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>		
GPR		
FED		
PRO/PRS	50,000	
SEG/SEG-S		
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>		
	Increased Rev	Decreased Rev
GPR Taxes	\$	\$
GPR Earned		
FED		
PRO/PRS		
SEG/SEG-S		
<b>TOTAL State Revenues</b>	<b>\$</b>	<b>\$</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>		
	<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS	\$50,000	\$
NET CHANGE IN REVENUE	\$	\$
<b>Agency/Prepared By</b>		
<b>Authorized Signature</b>		<b>Date</b>
DFI/ Kortney Anderson (608) 261-9559		3/26/2021
Kortney Anderson (608) 261-9559		