

## Fiscal Estimate - 2005 Session

Original     
  Updated     
  Corrected     
  Supplemental

LRB Number <b>05-3626/1</b>	Introduction Number <b>SB-358</b>
<b>Subject</b>	
Ban on sale of goods and services at unreasonable prices during times of emergency	
<b>Fiscal Effect</b>	
<b>State:</b>	
<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"/> 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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<input type="checkbox"/> Decrease Costs	
<b>Local:</b>	
<input type="checkbox"/> No Local Government Costs	
<input type="checkbox"/> Indeterminate	
1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory
2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory
<b>5. Types of Local Government Units Affected</b>	
<input type="checkbox"/> Towns	<input type="checkbox"/> Village
<input type="checkbox"/> Counties	<input type="checkbox"/> Others
<input type="checkbox"/> School Districts	<input type="checkbox"/> WTCS Districts
<input type="checkbox"/> Cities	
<b>Fund Sources Affected</b>	
<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	
<b>Affected Ch. 20 Appropriations</b>	
<b>Agency/Prepared By</b>	<b>Authorized Signature</b>
DATCP/ Kevin LeRoy (608) 224-4928	Barb Knapp (608) 224-4746
<b>Date</b>	
10/17/2005	

**Fiscal Estimate Narratives**  
**DATCP 10/18/2005**

LRB Number	<b>05-3626/1</b>	Introduction Number	<b>SB-358</b>	Estimate Type	<b>Original</b>
<b>Subject</b>					
Ban on sale of goods and services at unreasonable prices during times of emergency					

**Assumptions Used in Arriving at Fiscal Estimate**

This bill would prohibit wholesalers and retailers from selling consumer goods and services at "unreasonably excessive prices" during a period of abnormal economic disruption caused by an emergency.

This bill requires the department to promulgate administrative rules to establish formulas or other standards to be used in determining whether a wholesale or retail price is "unreasonably excessive". We estimate it would cost the department roughly \$140,000 to comply with the rulemaking requirement. This estimate is based on two project employees (one Economist 4 and one Program and Planning Analyst) working on the rules for one full year. Because of the huge variation and potential contentiousness for definitions of "unreasonably excessive", we believe it will take deliberate research and development work to build reasonable consensus on the final rule structure. This rule seems especially likely to trigger the regulatory impact report requirements passed as part of the Jobs Creation Act.

**Long-Range Fiscal Implications**

Under this bill, the department would be responsible for the administration and enforcement of this program. It is impossible to estimate the fiscal impact of investigating and enforcing this law because of the irregular occurrence of events that would result in the governor declaring a "period of abnormal economic disruption." In some fiscal years, the department's costs would be minimal and easily absorbed into the agency's regular duties. However, at some unknown point in the future, this bill could result in formidable administrative, investigative or litigation costs to the department.

## Fiscal Estimate Worksheet - 2005 Session

Detailed Estimate of Annual Fiscal Effect

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<b>LRB Number</b> 05-3626/1		<b>Introduction Number</b> SB-358	
<b>Subject</b>			
Ban on sale of goods and services at unreasonable prices during times of emergency			
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>			
\$140,000. This estimate is based on two project employees working on the required administrative rule for one full year.			
<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			
Local Assistance			
Aids to Individuals or Organizations			
<b>TOTAL State Costs by Category</b>		<b>\$</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>			
GPR			
FED			
PRO/PRS			
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, ets.)</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		\$	\$
NET CHANGE IN REVENUE		\$	\$
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	<b>Date</b>
DATCP/ Kevin LeRoy (608) 224-4928		Barb Knapp (608) 224-4746	10/17/2005