



## Fiscal Estimate Narratives

DOA 10/18/2005

LRB Number	05-2799/1	Introduction Number	SB-367	Estimate Type	Original
<b>Subject</b>					
Responsibility for disposal of electronic equipment					

### Assumptions Used in Arriving at Fiscal Estimate

#### Procurement:

This bill would require state agencies to purchase electronic equipment produced by vendors with disposal plans approved by the Department of Natural Resources. To comply with this requirement, the Department of Administration would add a section specifying this certification to the standard terms and conditions required in all state contracts. This would entail minimal cost that could be absorbed by the department. In addition, each bid would require review to ensure the bidder either directly complies with the disposal requirement or has offered equipment from a producer(s) that complies with the disposal requirements. Some contracts may require additional negotiation to establish specific procedures for the disposal such as pickup or delivery points, packaging, and responsibility for erasing sensitive information.

#### Disposal:

Madison based agencies and the UW Madison generally use the UW SWAP program to dispose of electronic equipment, composed primarily of personal computers, monitors, and peripheral equipment. SWAP staff evaluate the equipment and place those items in good working order in inventory for sale to other state agencies or the public. The Department of Corrections takes possession of those items that are obsolete or not in working order. These items are either refurbished or disassembled for recycling. Refurbished items are donated to non-profit organizations. Where there is a market, recycled components are sold to the highest bidder. DOC charges a \$5 fee for those items with no sellable components (currently only applies to monitors). DOC then contracts for disposal of the remaining parts. UW SWAP estimates that 35 to 40 semi loads of electronic equipment are disposed of annually through the DOC program. Other UW campuses also dispose of their electronic equipment through DOC. This bill does not appear to preclude continuation of this procedure. However, if agencies opt to use a producer's disposal program, there may be additional disposal costs. Specifically, if equipment must be sorted by producer, packaged and shipped to multiple collection points, state disposal costs could increase significantly.

### Long-Range Fiscal Implications

Unknown