

### Fiscal Estimate - 2007 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> <b>07-3775/1</b>	<b>Introduction Number</b> <b>AB-0717</b>
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**Description**  
 The bill requires the manufacturer to file a written certification with Commerce stating the cigarettes it seeks to sell in Wisconsin meet the fire safety performance standard.

**Fiscal Effect**

**State:**

- No State Fiscal Effect
- Indeterminate
  - Increase Existing Appropriations
  - Decrease Existing Appropriations
  - Create New Appropriations
- Increase Existing Revenues
- Decrease Existing Revenues
- Increase Costs - May be possible to absorb within agency's budget
  - Yes       No
- Decrease Costs

**Local:**

- No Local Government Costs
- Indeterminate
  - 1.  Increase Costs      3.  Increase Revenue
  - Permissive  Mandatory       Permissive  Mandatory
  - 2.  Decrease Costs      4.  Decrease Revenue
  - Permissive  Mandatory       Permissive  Mandatory
- 5. Types of Local Government Units Affected
  - Towns       Village       Cities
  - Counties       Others
  - School Districts       WTCS Districts

**Fund Sources Affected**      **Affected Ch. 20 Appropriations**

GPR   
  FED   
  PRO   
  PRS   
  SEG   
  SEGS s. 20.143 (3) (j), Stats.

<b>Agency/Prepared By</b> COMM/ Debra Miller (608) 266-8603	<b>Authorized Signature</b> Louie Cornelius (608) 266-8629	<b>Date</b> 1/24/2008
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## Fiscal Estimate Narratives

COMM 1/24/2008

LRB Number	07-3775/1	Introduction Number	AB-0717	Estimate Type	Original
<b>Description</b> The bill requires the manufacturer to file a written certification with Commerce stating the cigarettes it seeks to sell in Wisconsin meet the fire safety performance standard.					

### Assumptions Used in Arriving at Fiscal Estimate

2007 AB 717 requires that cigarettes sold in Wisconsin meet fire safety standards. Every cigarette manufacturer must certify to the Department that the cigarettes it wishes to sell in Wisconsin meet fire safety standards. Each certification must be forwarded by the Department to the Department of Justice. The cigarettes must be identified with a mark, approved by the Department, indicating that the cigarettes meet fire safety standards.

The workload associated with 2007 AB 717 will involve the processing of certifications submitted by 36 manufacturers, approval of the mark indicating that a cigarette meets fire safety standards, and enforcement activities. The Department estimates that the annual costs associated with this workload will be \$26,141 for .5 FTE position.

2007 AB 717 stipulates that a manufacturer must pay a fee of \$250 for each type of cigarette to be certified, and that a certification must be submitted every three years. The Department estimates that 36 manufacturers will submit certifications for 1,000 types of cigarettes, resulting in annual revenue of \$83,300. However, 2007 AB 717 does not indicate where this revenue will be deposited/credited (see Technical Memo).

### Long-Range Fiscal Implications

## Fiscal Estimate Worksheet - 2007 Session

Detailed Estimate of Annual Fiscal Effect

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<b>LRB Number</b> 07-3775/1		<b>Introduction Number</b> AB-0717	
<b>Description</b> The bill requires the manufacturer to file a written certification with Commerce stating the cigarettes it seeks to sell in Wisconsin meet the fire safety performance standard.			
<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	\$21,758	\$0	
(FTE Position Changes)	(0.5 FTE)	(0.0 FTE)	
State Operations - Other Costs	4,383	0	
Local Assistance	0	0	
Aids to Individuals or Organizations	0	0	
<b>TOTAL State Costs by Category</b>	<b>\$26,141</b>	<b>\$0</b>	
<b>B. State Costs by Source of Funds</b>			
GPR	0	0	
FED	0	0	
PRO/PRS	26,141	0	
SEG/SEG-S	0	0	
<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	\$0	\$0	
GPR Earned	0	0	
FED	0	0	
PRO/PRS	83,300	0	
SEG/SEG-S	0	0	
<b>TOTAL State Revenues</b>	<b>\$83,300</b>	<b>\$0</b>	
<b>NET ANNUALIZED FISCAL IMPACT</b>			
	State	Local	
NET CHANGE IN COSTS	\$26,141	\$0	
NET CHANGE IN REVENUE	\$83,300	\$0	
<b>Agency/Prepared By</b>			
COMM/ Debra Miller (608) 266-8603		<b>Authorized Signature</b>	<b>Date</b>
		Louie Cornelius (608) 266-8629	1/24/2008