

Fiscal Estimate - 2013 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 13-2168/1	Introduction Number AB-0186	
Description Police and fire protection fee imposed on certain communications services		
Fiscal Effect		
State: <input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input checked="" type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input checked="" type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs		
Local: <input checked="" type="checkbox"/> No Local Government Costs <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 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 <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts		
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 checked="" type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.835(1)(db) GPR Increase		
Agency/Prepared By DOR/ Robert Schmidt (608) 267-9892	Authorized Signature Paul Ziegler (608) 266-5773	Date 5/22/2013

Fiscal Estimate Narratives

DOR 5/22/2013

LRB Number	13-2168/1	Introduction Number	AB-0186	Estimate Type	Original
Description Police and fire protection fee imposed on certain communications services					

Assumptions Used in Arriving at Fiscal Estimate

Under current law, the state imposes a police and fire protection fee. Communication service providers must charge a monthly fee of \$0.75 on each communication service connection (telephone, cellular phone, VoIP service) and providers or retailers must charge a fee of \$0.38 for a prepaid wireless plan. The Department of Revenue collects the police and fire protection fee on behalf of the Public Service Commission. The fee is deposited into the police and fire protection fund, which partially supports shared revenue payments to counties, towns, villages, and cities by paying a portion of county and municipal aid.

The bill would repeal the police and fire protection fee and eliminates the police and fire protection fund. Since the bill does not reduce the overall level of county and municipal aid, the decrease in the SEG appropriation for police and fire protection is offset by a corresponding increase in the sum sufficient appropriation for county and municipal aid. The bill also eliminates the SEG appropriation related to the administration of the police and fire protection fee.

Under 2013 AB 40, the FY15 appropriation for county and municipal aid paid by the police and fire protection fee is \$53,000,000 and the GPR appropriation for county and municipal aid is \$695,075,700.

The fiscal effect of the bill is dependent on the effective date. Assuming the bill fully eliminates the police and fire protection fee for FY15, the bill would eliminate the \$53,000,000 million SEG appropriation for paying a portion of county and municipal aid, thereby increasing the GPR county and municipal aid appropriation by \$53,000,000 to \$748,075,700. The elimination of the SEG appropriation related to administering the police and fire protection fee would result in a further SEG expenditure decrease of \$166,600 on an annual basis.

If the bill eliminates more than one year of police and fire protection fee revenue for county and municipal aid during the 2013-15 biennium, the GPR impacts of the bill for the biennium will be greater than the \$53,000,000 specified above.

The bill is effective the day after publication.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2013 Session

Detailed Estimate of Annual Fiscal Effect

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LRB Number 13-2168/1		Introduction Number AB-0186	
Description Police and fire protection fee imposed on certain communications services			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes	\$		\$
(FTE Position Changes)			
State Operations - Other Costs			-166,600
Local Assistance	53,000,000		-53,000,000
Aids to Individuals or Organizations			
TOTAL State Costs by Category	\$53,000,000		\$-53,166,600
B. State Costs by Source of Funds			
GPR	53,000,000		
FED			
PRO/PRS			
SEG/SEG-S			-53,166,600
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)			
	Increased Rev		Decreased Rev
GPR Taxes	\$		\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			-53,166,600
TOTAL State Revenues	\$		\$-53,166,600
NET ANNUALIZED FISCAL IMPACT			
	<u>State</u>		<u>Local</u>
NET CHANGE IN COSTS	\$-166,600		\$
NET CHANGE IN REVENUE	\$-53,166,600		\$
Agency/Prepared By		Authorized Signature	Date
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