



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

July 30, 2003

TO: Members
Wisconsin Legislature

FROM: Bob Lang, Director

SUBJECT: Tax and Fee Modifications Included in 2003 Wisconsin Act 33

The attached table provides a brief description of each tax and fee modification contained in the 2003-05 biennial budget (2003 Act 33).

The table consists of three parts: (1) tax decreases; (2) fee increases and decreases; and (3) measures that would affect the collection of current taxes and fees. Each entry in the table includes the agency name, a summary of the proposed modification, and an estimate of the revenue change due to the tax or fee modification. The act includes a number of changes to hunting and fishing license fees, which are included in the table and more fully identified in Attachment 1 to this memorandum.

In the table, GPR represents general fund revenue. Revenue to a program revenue account is signified by PR and SEG signifies revenue to a segregated fund. "Unknown" means that no estimate of the revenue impact is available at this time.

In summary, the changes under Act 33 would decrease net taxes by \$3,100,000 (-\$2,050,000 in 2003-04 and -\$1,050,000 in 2004-05) and increase net fees by \$414,141,300 (\$161,795,000 for 2003-04 and \$252,346,300 for 2004-05). The sum of the net tax and fee changes under Act 33 is \$411,041,300. In addition, the Act includes measures that would affect the collection of current taxes and fees. For the 2003-05 biennium that number is \$12.6 million.

Under the bill as passed by the Legislature (Enrolled SB 44), the sum of net tax and fee changes was \$405,941,300 and measures to affect the collection of current taxes and fees were estimated at \$24.6 million.

Two points should be made about the list of items. First, there is one item on the list, the proposed increase in the nursing home bed assessment, that would increase revenue paid to the state. However, nursing homes would benefit from the proposed assessment because the revenue generated from the assessment would be used to match federal medical assistance (MA) funds to increase MA reimbursement for the services nursing homes provide to MA enrollees. Although this proposal has redistributive effects, this item is proposed as a means to increase MA payments to nursing homes.

Second, items that would result in a delay in benefits provided to program participants, such as increases in the deductibles under SeniorCare, are not included on the list. In addition, there are items that would increase the out-of-pocket costs paid by individuals who participate in selected programs, such as MA, but would not increase revenue or collections to the state. These items would shift program costs from the state to individuals who benefit from the programs. These items are summarized in Attachment 2.

	2003-04	2004-05	Fund Source
TAXES -- DECREASES			
GENERAL FUND TAXES			
Internal Revenue Code Update. Beginning in tax year 2003, with two exceptions, provide that state individual income and corporate and business tax provisions referenced to the federal Internal Revenue Code (IRC) would refer to the code in effect on December 31, 2002. Provide that the changes would generally apply for Wisconsin purposes at the same time as for federal purposes. Under current law, state tax provisions generally refer to the IRC in effect on December 31, 2001. The IRC update provisions would decrease individual income tax revenues by an estimated \$1,800,000 in 2003-04 and \$400,000 in 2004-05. Corporate and business income and franchise tax revenues would decrease by an estimated \$250,000 in 2003-04 and \$650,000 in 2004-05.	-\$2,050,000	-\$1,050,000	GPR
Eligibility for Tax Credits in the Beloit Development Opportunity Zone. Allow all eligible businesses that are conducting economic activity in the Beloit development opportunity zone (created in September, 2001) to claim tax benefits. Also, provide that any eligible businesses in the zone could claim the development zone capital investment credit created by 2001 Wisconsin Act 16.	Minimal	Minimal	GPR
SUBTOTAL -- TAXES -- DECREASES	- \$2,050,000	- \$1,050,000	GPR
FEES -- INCREASES			
ADMINISTRATION			
Land Record Fee Continuation. Extend the scheduled sunset date on the \$2 land record fee assessed on the first page of legal documents filed or recorded with county registers of deeds from the current September 1, 2003, to September 1, 2005.	\$3,207,900	\$3,849,500	PR
AGRICULTURE, TRADE AND CONSUMER PROTECTION			
Agricultural Chemical Program. Increase the maximum fertilizer tonnage surcharge from 38¢ to 86¢ per ton. This fee is deposited into the agricultural chemical cleanup program (ACCP) fund for the cleanup of agricultural chemical spills. This change is estimated to increase ACCP fund revenues by \$624,000 annually, assuming DATCP increases fees to the statutory maximum by rule, starting in 2005-06.	\$0	\$0	SEG
Milk Certification Program Transfer. The act transfers the grade A milk certification program, and related authority to promulgate administrative rules to charge dairy plant fees to fund the program, from DHFS to DATCP. The act authorizes DATCP \$362,100 PR annually and 4.8 positions. DHFS currently does not charge fees related to this GPR-funded program. For the 2003-05 biennium, the Governor's intent is to have DATCP fund this program from current food regulation fees (various dairy and food producer and licensing fees). However, DATCP could promulgate fees by rule to fund program costs, if necessary, during 2003-05 or future biennia.	Unknown	Unknown	PR

	2003-04	2004-05	Fund Source
<p>CIRCUIT COURTS</p> <p>Court Support Services Fees. Increase the fee for court support services by 30%, as follows: (a) increase the \$52 court support services fee under current law to \$68 for certain civil actions and special proceedings, third-party complaints, appeals from municipal court, reviews of administrative decisions or forfeiture actions in circuit court; (b) increase the \$130 court support services fee under current law to \$169 for certain civil actions and special proceedings, third-party complaints or certain garnishment or wage earner actions, if the party paying the fee seeks the recovery of money and the amount claimed exceeds \$5,000; and (c) increase the \$39 court support services fee under current law to \$51 for certain small claims actions (including counterclaims or cross complaints), civil actions and special proceedings, third-party complaints or certain garnishment or wage earner actions, if the party paying the fee seeks the recovery of money and the amount claimed is \$5,000 or less. The fee increases would first apply to actions commenced on the effective date of the act.</p>	\$9,137,400	\$13,463,900	GPR
<p>COURT OF APPEALS</p> <p>Filing Fee. Increase the fee for filing of an appeal, cross-appeal, petition to review, petition to bypass, or other proceeding by 30%, from \$150 to \$195. The fee increase would first apply to actions commenced on the effective date of the act.</p>	\$88,000	\$95,100	GPR
<p>DISTRICT ATTORNEYS</p> <p>Special Prosecution Clerks Fee. Increase the special prosecution clerks fee collected only in Milwaukee County from \$2 to \$3.50. The fee is assessed whenever a person pays a fee for: (a) civil, small claims, most forfeitures, wage earner or garnishment actions; (b) an appeal from municipal court; (c) a third party complaint in a civil action; or (d) filing a counterclaim or cross complaint in a small claims action.</p>	\$110,100	\$146,800	PR
<p>EMPLOYMENT RELATIONS COMMISSION</p> <p>Additional Program Revenue-Supported Agency Staff. Program revenue support for WERC would be increased by \$237,800 annually. Increased expenditure authority assumes that fees for grievance arbitration, mediation, interest arbitration and fact finding will increase from \$250 to \$500 per filing, and the complaint investigation fee will increase from \$40 to \$80. Actual fee amounts will be established by WERC through administrative rules.</p>	\$104,100	\$201,100	PR
<p>FINANCIAL INSTITUTIONS</p> <p>Filing Requirements for an Annual Report of a Domestic Limited Liability Company. Require domestic limited liability companies to file an annual report with the Department of Financial Institutions (DFI) and direct DFI to assess a \$25 filing fee for such a report. Estimate program revenue under the provision of \$860,000 in 2003-04 and \$1,800,000 in 2004-05. [The administration had estimated program revenues of \$1,150,000 in 2003-04 and \$2,400,000 in 2004-05.]</p>	\$860,000	\$1,800,000	PR

	2003-04	2004-05	Fund Source
HEALTH AND FAMILY SERVICES			
SeniorCare Enrollment Fee. Increase the annual SeniorCare enrollment fee from \$20 to \$30 for all enrollees. Specify that change would first apply to enrollees with benefit periods that begin on September 1, 2003, or the first day of the first month after the act's general effective date, whichever is later.	\$772,500	\$720,900	PR
BadgerCare Premiums. Increase the maximum amount families or children with income above 150% of the FPL would pay as premiums for BadgerCare eligibility to no more than five percent of the child or family's income, effective January 1, 2004. Currently, the BadgerCare premium schedule is established so that families or children pay no more than three percent of their income. Premium revenue is used to offset benefits costs that would otherwise be paid by state and federal funds.	\$1,530,000	\$3,411,900	PR
Nursing Home Bed Assessment. Increase the assessment on beds in nursing homes from \$32 per month to \$75 per month and on beds in intermediate care facilities for the mentally retarded from \$100 per month to \$435 per month in 2003-04 and \$445 per month in 2004-05. Expand the current assessment on occupied, licensed beds of nursing homes and facilities to: (a) apply the assessments to all licensed beds, including beds occupied by residents whose costs are paid under the federal Medicare program; and (b) apply the assessment on state and federal facilities. The additional revenue the state would collect from the assessment (\$33,933,200 in 2003-04 and \$32,296,800 in 2004-05) would be deposited to the medical assistance (MA) trust fund, which would be used to fund the state share of MA costs to: (a) increase reimbursements to facilities to partially offset the additional assessments they would pay (b) increase reimbursement to nursing homes by 2.6% in 2003-04 and an additional 2.6% in 2004-05; and (c) support MA base costs.	\$33,993,200	\$32,296,800	SEG
Intensive Treatment Surcharge. Authorize DHFS to: (a) assess counties a surcharge of 10% of the total cost of care provided to individuals served at the intensive treatment programs (ITPs) at the state centers for the developmentally disabled for each six-month period in which residents remain at the centers beyond the discharge date set by the center and the resident's county of residence and to increase the amount of the surcharge by 10% of the total cost of care provided during each six-month period thereafter. These provisions would first apply to ITP services that are provided on the act's general effective date.	Unknown	Unknown	PR
JUSTICE			
Crime Laboratories and Drug Law Enforcement Assessment. Increase the crime laboratories and drug law enforcement assessment from the current \$5 to \$7. Currently, the assessment is applied if a court imposes a sentence, places a person on probation, or imposes a forfeiture for most violations of state law or municipal or county ordinances.	\$1,475,600	\$2,113,000	PR
Fingerprint Card Record Check Fee. Increase the fingerprint card record check fee assessed to governmental agencies or nonprofit organizations, for purposes unrelated to criminal justice or to the waiting period for purchase of handguns, from \$10 per search to \$15 per search.	\$62,000	\$82,700	PR
\$5 Paper Copy Surcharge. Create a \$5 paper copy request surcharge applicable to criminal history record checks and fingerprint card record checks, for purposes unrelated to criminal justice or to the waiting period for purchase of handguns.	\$225,000	\$150,000	PR

	2003-04	2004-05	Fund Source
NATURAL RESOURCES			
Hunting and Fishing License Fee Increase. Provide for the hunting and fishing license fee modifications shown in Attachment 1, effective on April 1, 2004. The fees are expected to generate additional fish and wildlife account revenues of approximately \$11.6 million over prior fees for the 2003-05 biennium.	\$4,614,000	\$7,006,400	SEG
Vehicle Environmental Impact Fee. Maintain the current \$9 vehicle environmental impact fee (assessed on the titling of new or used vehicles) but extend the December 31, 2003, sunset of the fee, to December 31, 2005. The fee is deposited in the environmental management account of the environmental fund.	\$6,700,000	\$13,400,000	SEG
Fees for Enforcement Actions. Authorize DNR to assess and collect fees from persons that are subject to an order or other enforcement action for a violation under the hazardous substances spills statute and environmental repair statute to cover the DNR's costs to review the planning and implementation of any environmental investigation or environmental cleanup the person is required to conduct. The fee revenue would fund staff that review the environmental response documents submitted by persons working on site cleanups.	\$0	\$15,000	PR
Air Management -- Asbestos Inspections. Increase the maximum combined asbestos inspection and construction permit exemption fee from \$210 to \$400 or \$750, for the inspection of asbestos removal in schools, and industrial and commercial facilities. The maximum combined fee increases to \$400 if the combined square and linear footage of friable (readily crumbled or brittle) asbestos-containing material involved in the project is less than 5,000, or to \$750 if the combined square and linear footage is equal to or greater than 5,000. In addition, authorize DNR to charge for the costs it incurs for laboratory testing for a nonresidential asbestos demolition and renovation project.	\$0	\$187,000	PR
PUBLIC INSTRUCTION			
Public Library System Aid. Provide funding to replace an equivalent amount of GPR for aids to public library systems. Provide that, in lieu of GPR, funding would be from the universal service fund, which receives its funding through Public Service Commission assessments on annual gross operating revenues from intrastate telecommunications providers, which they can fully recover through pass-through assessments on subscribers.	\$2,111,900	\$2,111,900	SEG
GED Charges. Authorize DPI to promulgate a rule specifying a fee for administrative costs for issuing a declaration of equivalency of high school graduation or a general educational development (GED) certificate. Provide a new program revenue appropriation to receive these fees. Provide that DPI could provide exemptions from the fees based on financial need.	\$50,300	\$118,600	PR
BadgerLink Funding. Provide funding above the base level of \$1,850,200 for statewide Internet access to periodical and reference information databases, which are part of the BadgerLink project. Provide that funding would be from the universal service fund, which receives its funding through Public Service Commission assessments on annual gross operating revenues from intrastate telecommunications providers, which they can fully recover through pass-through assessments on subscribers.	\$36,700	\$93,300	SEG

	2003-04	2004-05	Fund Source
<p>REVENUE</p> <p>Assessment of Manufacturing Property. Authorize DOR to annually impose a special charge on each municipality containing manufacturing property to fund one-half of the Department's manufacturing property assessment positions and related costs. The charge for each municipality would equal the municipality's equalized value of manufacturing property multiplied by a rate determined by DOR, which would vary from year to year and would generate sufficient revenues to offset the Department's budgeted PR costs for the manufacturing assessment function.</p>	\$1,076,300	\$1,076,300	PR
<p>SUPREME COURT</p> <p>Filing Fee. Increase the fee for filing of an appeal, cross-appeal, petition to review, petition to bypass, or other proceeding by 30%, from \$150 to \$195. The fee increase would first apply to actions commenced on the effective date of the act.</p>	\$22,600	\$24,700	GPR
<p>Court Interpreter Certification and Training Program. Create continuing program revenue appropriation for court interpreter training and certification with revenue generated from fees imposed by the Supreme Court for the training and certification of interpreters. Specify that the Supreme Court establish procedures and policies for the fees imposed. The administration recommends implementing a \$125 interpreter orientation workshop fee and a \$200 fee for interpreter certification examinations and advanced language training.</p>	\$23,400	\$17,600	PR
<p>TEACH BOARD</p> <p>Educational Telecommunications Access Funding. Increase funding for the telecommunications access program, which provides eligible entities with subsidized access to new data lines and video links or grants for data lines and video links for service contracts in effect on October 14, 1997. The program is funded from the universal service fund, which receives its funding through Public Service Commission assessments on annual gross operating revenues from intrastate telecommunications providers, which they can fully recover through pass-through assessments on subscribers.</p>	\$375,400	\$1,020,700	SEG
<p>Public Museum Telecommunications Access Funding. Provide funding for the telecommunications access program for participation by public museums that are nonprofit or publicly owned, that are accredited by the American Association of Museums or an educational center that is affiliated with such a museum. Provide that funding would come from the universal service fund, which receives its funding through Public Service Commission assessments on annual gross operating revenues from intrastate telecommunications providers, which they can fully recover through pass-through assessments on subscribers.</p>	\$112,500	\$204,700	SEG
<p>TRANSPORTATION</p> <p>Registration Fees for Automobiles. Increase the annual registration fee for automobiles by \$10, from \$45 currently, to \$55 (this would also apply to human service vehicles and certain school buses, which have their registration fees set at the same level as that for automobiles), first applying to registration periods that begin on October 1, 2003.</p>	\$25,587,200	\$34,924,500	SEG

	2003-04	2004-05	Fund Source
Vehicle Title Fee. Increase the fee for the issuance of a new vehicle title and the fee for a vehicle title transfer by \$10, from \$8.50 currently, to \$18.50, first applying to applications submitted on October 1, 2003.	\$11,250,000	\$15,000,000	SEG
Convenience Fees for Credit Card Payments. Authorize DOT, if the Department permits the payment of annual, consecutive monthly, multiple trip, or single trip oversize and overweight permit fees by telephone or the internet using a credit card, to charge an additional fee for each transaction. Specify that the additional fee shall be established by rule and shall approximate the cost to the Department of providing the service. Authorize DOT to require any applicant for an annual, consecutive monthly, or multiple trip oversize and overweight permit to pay the cost of any special investigation undertaken to determine whether a permit should be approved or denied. This currently applies only to applicants for a single trip permit. The Department indicates that the revenue generated from this fee, which would be deposited in a PR appropriation, is undetermined since the level of the fee (to be set by rule) is unknown and the number of permit applicants that pay by credit card is also unknown.	Unknown	Unknown	PR
Oversize/Overweight Vehicle Permit Surcharge. Extend the sunset date of the current 10% surcharge on oversize and overweight truck permits from June 30, 2003, to June 30, 2005.	\$403,700	\$403,700	SEG
UNIVERSITY OF WISCONSIN SYSTEM			
General Tuition Increase. Authorize the UW Board of Regents to offset base budget reductions of \$110.0 million GPR in 2003-04 and \$140.0 million GPR in 2004-05 with additional tuition expenditure authority of \$50.0 million in 2003-04 and \$100.0 million in 2004-05. Permit the Board to increase resident undergraduate tuition at UW-Madison and UW-Milwaukee by up to \$350 a semester over the tuition charged in the prior academic year, and for a student enrolled at any other UW System institution by more than \$250 a semester over the tuition charged in the prior academic year in the 2003-04 and 2004-05 academic years. If fully implemented by the Board, resident undergraduate tuition at UW-Madison would increase by approximately 18.2% in 2003-04 and 15.4% in 2004-05, tuition at UW-Milwaukee would increase by approximately 18.7% in 2003-04 and 15.8% in 2004-05, while tuition at the comprehensive campuses would increase by approximately 16.6% in 2003-04 and 14.4% in 2004-05, and tuition at UW-Colleges would increase by 18.5% in 2003-04 and 15.6% in 2004-05. Specify that the tuition limits would not apply to either current or future differential tuition initiatives approved by both students and the Regents. Tuition rates for the upcoming academic year are set annually by the Board of Regents at their June meeting.	\$50,000,000	\$100,000,000	PR

	2003-04	2004-05	Fund Source
Auxiliary Operations Funding for Financial Aid. Transfer \$8,040,200 in 2003-04 and \$18,524,900 in 2004-05 from the UW System's auxiliary enterprises appropriation to provide supplemental funding for the Wisconsin higher educational grant program for UW students, the Lawton minority undergraduate grant program for UW students, and the advanced opportunity program grants for UW graduate students. Specify that no monies from segregated fee accounts could be used. As part of its operations, each UW System campus administers auxiliary enterprises, which are non-instructional facilities that provide services to students. These operations, including residence halls, dining halls, parking, and bookstores, are self-supporting through user fees, merchandise sales, and interest earnings. Other non-instructional activities, such as student government, student health services, transportation, student unions, and intercollegiate athletics, are funded, at least in part, through a segregated fee assessed to all students which is also included under the UW System's auxiliary enterprise appropriation. The act does not specify if the funding transfers from auxiliary enterprises should come from available reserve balances or through increased fees for auxiliary enterprises.	\$8,040,200	\$18,524,900	PR
VETERANS AFFAIRS			
Student Protection Fund Fee. Authorize the Educational Approval Board to establish, by rule, a new student protection fund fee to be assessed against proprietary schools to reimburse students, parents, or other sponsoring agents if the school is unable to fulfill its contractual educational obligations to the student. It is anticipated that the additional fee payment by proprietary schools would be approximately \$1 per \$1,000 of revenues.	\$0	\$60,300	PR
SUBTOTAL -- FEES -- INCREASES	\$9,248,000 \$67,537,400 \$85,184,600	\$13,583,700 \$132,475,600 \$106,462,000	GPR PR SEG
FEES -- DECREASES			
AGRICULTURE, TRADE AND CONSUMER PROTECTION			
Pet Regulation Repeal. The act repeals 2001 Act 16 pet regulation requirements, including that DATCP establish pet dealer, breeder, animal shelter and kennel license fees by administrative rule (effective February 1, 2004). DATCP had not established fees under this program.	Unknown	Unknown	PR
TEACH BOARD			
Computer Training Grant. Delete funding for the Racine Unified School District to participate in the Pegasus Project, a public-private partnership which provides training to teachers and pupils in computers. This grant is currently funded by the universal service fund, which receives its funding through Public Service Commission assessments on annual gross operating revenues from intrastate telecommunications providers, which they can fully recover through pass-through assessments on subscribers.	-\$175,000	-\$175,000	SEG
SUBTOTAL -- FEES -- DECREASES	-\$175,000	-\$175,000	SEG

	2003-04	2004-05	Fund Source
COLLECTION MEASURES			
GENERAL FUND TAXES			
<p>Sales Tax Enforcement for Vendors Doing Business with the State of Wisconsin. Require the Department of Revenue to determine and periodically certify to the Secretary of the Department of Administration (DOA) the names of persons, and affiliates of those persons, who refuse to collect and remit sales and use taxes on their sales delivered to Wisconsin. Prohibit DOA, any purchasing agent designated by DOA, any agency making purchases under the state's legislative and judicial branch procurement provisions, and any state authority from entering into any contract or order for the purchase of materials, supplies, equipment, or contractual services with a person whose name appears on the list. The administration estimates that adoption of this measure would result in additional state sales tax revenues of \$5,400,000 in 2003-04 and \$7,200,000 in 2004-05.</p>	\$5,400,000	\$7,200,000	GPR
HEALTH AND FAMILY SERVICES			
<p>Auditing for Improper Payments. Reassign 1.0 current position to the Bureau of Health Care Program Integrity to investigate fraudulent MA claims and initiate recoveries of benefit payments. The act would reduce MA benefits funding by \$410,600 (-\$170,800 GPR and -\$239,800 FED) in 2004-05 to reflect projected savings that would result because the state would increase recoveries of improper MA payments from providers.</p>	See Text	See Text	
SUBTOTAL -- COLLECTION MEASURES	\$5,400,000	\$7,200,000	GPR

ATTACHMENT 1

Hunting and Fishing License Fees

	<u>Current Fee</u>	<u>Act 33*</u>	<u>Change to Current Fee</u>
Resident Hunting			
Small Game	\$14.00	\$16.00	\$2.00
Small Game	14.00	16.00	2.00
Senior Small Game	7.00	8.00	1.00
Youth Small Game	8.00	9.00	1.00
Deer	20.00	20.00	0.00
Elk	41.00	45.00	4.00
Bonus Deer Permit	12.00	12.00	0.00
Class A Bear	41.00	45.00	4.00
Class B Bear	8.00	14.00	6.00
Archer	20.00	20.00	0.00
Wild Turkey Permit	11.00	13.00	2.00
Trapping	18.00	20.00	2.00
Nonresident Hunting			
Annual Small Game	75.00	80.00	5.00
Five-Day Small Game	43.00	50.00	7.00
Deer	135.00	160.00	25.00
Elk	201.00	251.00	50.00
Bonus Deer Permit	20.00	20.00	0.00
Class A Bear	201.00	251.00	50.00
Class B Bear	100.00	110.00	10.00
Archer	135.00	160.00	25.00
Wild Turkey Permit	55.00	60.00	5.00
Fur-bearing Animal	150.00	160.00	10.00
Hunting Stamps			
Pheasant Stamp	7.25	7.25	0.00
Wild Turkey Stamp	5.25	5.25	0.00
Waterfowl Stamp	7.00	7.00	0.00
Resident Fishing			
Annual	14.00	17.00	3.00
Husband and Wife	24.00	29.00	5.00
Senior Annual	7.00	7.00	0.00
Youth Annual	7.00	7.00	0.00
Sturgeon Spearing	20.00	20.00	0.00
Disabled	7.00	7.00	0.00
Disabled Veteran	3.00	3.00	0.00

	<u>Current Fee</u>	<u>Act 33*</u>	<u>Change to Current Fee</u>
Nonresident Fishing			
Individual:			
Annual	\$34.00	\$40.00	\$6.00
Fifteen-Day	20.00	24.00	4.00
Four-Day	15.00	18.00	3.00
Sturgeon Spearing	50.00	50.00	0.00
Family Annual	52.00	65.00	13.00
Family Fifteen-Day	30.00	40.00	10.00
Fishing Stamps			
Two-Day Great Lakes	10.00	14.00	4.00
Inland Trout Stamp	7.25	7.25	0.00
Great Lakes Salmon and Trout Stamp	7.25	10.00	2.75
Resident Multiple Licenses			
Conservation Patron	110.00	140.00	30.00
Sports License	43.00	45.00	2.00
Nonresident Multiple Licenses			
Conservation Patron	575.00	600.00	25.00
Sports License	240.00	275.00	35.00
Duplicate Licenses			
Patron - tags	11.00	13.00	2.00
Patron - no tags	8.00	10.00	2.00
Sports - tags	11.00	13.00	2.00
Sports - no tags	8.00	10.00	2.00
Gun deer hunting	11.00	13.00	2.00
Archery - tags	11.00	13.00	2.00
Archery - no tags	8.00	10.00	2.00
Other hunting licenses	7.00	8.00	1.00
Fishing	7.00	9.00	2.00
Application Fees	3.00	3.00	0.00

*Effective April 1, 2004.

ATTACHMENT 2

Items That Would Increase Liability for Program Costs

Employee Trust Funds

State Employee Health Care Coverage. Require the Group Insurance Board to place each of the state's health care coverage plans into one of three tiers established in accordance with standards adopted by the Board. Require that the tiers be separated according to the employee's share of premium costs. Require the state to pay premium costs for eligible employees, regardless of the plan selected by the employee, equal to not less than 80% of the average premium cost of plans offered in the tier with the lowest employee premium cost, first applicable to premiums paid by state employees for health care coverage for the period that begins on January 1, 2004. This modification would not affect payments required under current collective bargaining agreements under the current state compensation plan. Currently, the state contributes the lesser of 90% of the monthly premium cost of the Standard Plan or 105% of the premium cost of the lowest cost alternative health care plan (but not more than the total amount of the remaining premium). These provisions would be eliminated and replaced with the three-tier grouping of all plans and a different required state contribution toward health coverage plan costs. Employee-paid contributions for health insurance plan premiums would increase under the proposal, but these increases cannot be estimated at this time. No specific state group health insurance cost savings have been identified as a result of this provision.

Health and Family Services

MA and BadgerCare -- Drug Copayment. Increase from \$1 to \$3 the copayment MA enrollees (regardless of their income) and BadgerCare enrollees with income that exceeds 150% of the FPL would pay for each brand name prescription drug, beginning with prescriptions that are filled on the first day of the first month beginning after publication of the act. Because copayments are paid to the provider, revenue to the state would not increase. Rather, payments to providers would be reduced by the amount of the increase in copayments paid by enrollees. The substitute amendment would reduce MA and BadgerCare funding by \$2,715,000 GPR and \$3,585,700 FED in 2003-04 and \$4,072,400 GPR and \$5,785,800 FED in 2004-05 to reflect estimates of the additional copayments enrollees would pay.

Parental Cost-Sharing for Children's Long-Term Care Waiver Services. Families of children that receive publicly-funded long-term care waiver services, including the intensive, in-home autism waiver services, would be required to pay a fee ranging from \$35 to \$835 per month, based on family income, adjusted for family size and the number of children in the family with a disability. A standard deduction of \$3,300 (per child with a disability) or an amount equal to the actual medical expenses claimed by the family on their federal tax form would be applied to each family's income to take into account disability-related expenses. All families with adjusted gross

income (after the standard deduction) under 300% of the federal poverty level would not pay a monthly fee. The funding provided in the substitute amendment assumes that the amount of revenue collected from this requirement would total \$330,000 PR in 2003-04 and \$500,000 PR in 2004-05, however, these amounts are not budgeted in the appropriation schedule.

Chronic Diseases -- Drug Copayments. Require individuals enrolled in the chronic disease aids programs to pay a \$7.50 copayment for each generic drug and a \$15 copayment for each brand name drug in cases where a pharmacy directly acts DHFS or a contracted entity for the drug. Currently, there are no statutorily established copayment amounts. However, under current rules, these copayments are \$5 for each generic drug and \$10 for each brand name drug. It is estimated that program enrollees would pay approximately \$21,000 more annually, beginning in 2004-05, than they would pay under the current copayments. DHFS does not collect copayments from enrollees. Instead, DHFS reduces payments to providers to reflect increases in copayments.

Chronic Diseases -- Patient Liability for Treatment Costs. Modify the current requirement that DHFS promulgate rules that require individuals enrolled in the chronic disease aids programs to obligate or expend specified portions of their income on medical care before receiving benefits by specifying that this cost sharing requirement would apply to individuals with estimated total family income that is at or above 200% of the federal poverty level (FPL), rather than to the income of individuals that exceed specified limits, and that the rules would require program participants to pay the following percentages of his or her family income for medical services covered under these programs before receiving benefits: (a) if the family income is 200% thru 250% of the FPL, then 0.5%, rather than no deductible under current law; (b) if the family income is 250% thru 275% of the FPL, then 0.75%, rather than no deductible under current law; (c) if the family income is 275% thru 300% of the FPL, then 1.0%, rather than no deductible under current law; (d) if the family income is 300% thru 325% of the FPL, then 1.25%, rather than 0.75% under current law; (e) if the family income is 325% thru 350% of the FPL, then 2.00%, rather than 1.5% under current law; (f) if the family income is 350% thru 375% of the FPL, then 2.75%, rather than 2.25% under current law; (g) if the family income is 375% thru 400% of the FPL, then 3.5%, rather than 3.0% under current law; and (h) if the family income is over 400% of the FPL, then 4.5%, rather than 4.0% under current law. Require DHFS to continuously review the sliding scale for patient liability coinsurance and revise it as needed to ensure that the amounts budgeted for the chronic disease aids programs are sufficient to cover treatment costs. Currently, DHFS is required to review and, if necessary, revise the sliding scale for patient liability every three years. It is estimated that, with these changes, program enrollees would pay approximately \$114,100 more annually, beginning in 2004-05, than they would pay under the current sliding fee scale.