

Fiscal Estimate Narratives

DATCP 2/25/2004

LRB Number 03-3453/1	Introduction Number AB-868	Estimate Type Original
Subject Siting livestock facilities		

Assumptions Used in Arriving at Fiscal Estimate

The state and local effects of the legislation ultimately depend on a number of factors that are not subject to an accurate estimation. It is not possible to predict the number of permits and licenses that political subdivisions will issue each year for the siting or expansion of livestock operations. Several variables will determine the number of permits or licenses issued including how many political subdivisions adopt local livestock regulations and how many new and expanded operations require permits or licenses under local regulations. These variables will change from one year to the next. Moreover, it is not possible to predict the number of appeals that parties will file from local decisions to approve or deny a permit or license.

In terms of state effects, there are certain parameters that can be established. AB 868 will require work in these general areas: initial development and periodic revision of DATCP standards through rules, coordination with DNR concerning water quality standards, technical assistance regarding ordinance development and administration, community outreach and facilitation to ensure proper implementation of local standards, and administration and support of the siting review board. The cost of preparing the initial rules necessary to comply with this legislation will be absorbed within the department's current budget. However, these other costs cannot be predicted at this time and are unlikely to be incurred in the immediate future.

In terms of local effects, AB 868 creates a state framework that functions as an overlay on local livestock regulation. As such, the legislation is not designed to impose additional costs on political subdivisions that have voluntarily assumed responsibilities for regulating the siting and expansion of livestock operations. For example, the legislation does not require that political subdivisions enact new ordinances. To the extent that they may need to modify regulations, political subdivisions may be able to make any changes in the ordinary course of maintaining their ordinances. The legislation may impose additional costs by virtue of new deadlines that political subdivisions must meet in making permit and licensing decisions, but these costs cannot be quantified. While political subdivisions maintain records of permit and licensing decisions, this legislation will require them to develop and maintain more complete records. Again these costs cannot be measured. Political subdivisions may save costs if parties decide to appeal decisions to the siting review board and bypass the local appeals processes.

Long-Range Fiscal Implications

There could be long range fiscal implications to this legislation. If local governments issue a large number of permits to farms under this legislation, the department will need additional resources to carry out its responsibilities. The equivalent of 1.0 FTE will be needed to provide technical assistance and perform outreach duties. This position will provide expertise related to standards development, maintenance and revision, including guidance to ensure the technical quality of standards established by rule. This work will require involvement with Wisconsin Agricultural Stewardship Initiative and others to gather and analyze field data to develop a clearer understanding of the environmental impacts related to livestock operations, to identify cost-effective methods for addressing these impacts, to determine the level of effort needed to meet environmental outcomes consistent with economic realities, and propose changes in the standards that are practical, cost-effective and meet other legal requirements. The position will serve as a statewide contact to provide technical and other assistance to political subdivisions and farmers concerning the proper application of state standards. This position will assist in ordinance development and review in conjunction with other DATCP staff. This ongoing effort will entail 2,080 hours @ \$28-35 per hour (includes salary and fringes).

A 1.0 FTE will be needed provide necessary program support to the siting review board. The full extent of

this support will depend on the number and nature of appeals to the board. This position will schedule and coordinate meetings, developing agendas, distributing materials, arranging for presentations, and preparing minutes. This position will process board member expenses, maintain board files, and handle other administrative tasks in connection with the board. In connection with appeals to the board, this position will help with assembly of the record, schedule hearings, send notifications and materials to the parties, track the progress of each appeal, and help with the preparation of decisions. This position will also support the work of providing technical assistance and outreach. This ongoing effort will entail 2,080 hours @ \$18-21 per hour (includes salary and fringes).

The equivalent of 1.0 FTE will be needed to provide legal services with respect to rulemaking and the decision-making functions of the siting board. The full extent of this support will depend on the number and nature of appeals to the board. This attorney position will prepare final orders and other legal documents for the board. Separate and distinct legal services will be needed in connection with individual appeals. The board will assign cases to administrative law judge who will determine if the record is properly assembled, conduct any hearings, and prepare a recommended decision and order. These activities require intensive work to meet strict deadlines. This ongoing effort will entail 2,080 hours @ \$30-47 per hour (includes salary and fringes). Certain legal functions may be purchased through contracts for such hearing examiner functions. Assuming that it will cost \$6,000-\$10,000 to pay for a hearing examiner to handle one case, DATCP may save costs through this approach as opposed to using an FTE.

The siting review board must have an annual budget to cover operating costs such as copying, mailing, travel, meals, per diem payments, teleconferences. Based on the operating budgets of other boards affiliated with DATCP, these costs may range from \$10,000-15,000 annually. Actual costs will depend on number of meetings of the board, which will be determined by the number of appeals.