

### Fiscal Estimate - 2005 Session

Original       Updated       Corrected       Supplemental

<b>LRB Number</b> <b>05-0616/1</b>	<b>Introduction Number</b> <b>AB-34</b>
<b>Subject</b> Prohibit landfilling of dredged materials containing PCBs	
<b>Fiscal Effect</b>	
<b>State:</b>	
<input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Create New Appropriations <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <span style="margin-left: 450px;"><input checked="" type="checkbox"/> Yes      <input type="checkbox"/> No</span> <input type="checkbox"/> Decrease Costs	
<b>Local:</b>	
<input checked="" type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;">           1. <input type="checkbox"/> Increase Costs  <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory            2. <input type="checkbox"/> Decrease Costs  <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory         </div> <div style="width: 45%;">           3. <input type="checkbox"/> Increase Revenue  <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory            4. <input type="checkbox"/> Decrease Revenue  <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory         </div> </div> <div style="margin-top: 10px;"> <b>5. Types of Local Government Units Affected</b>  <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         </div>	
<b>Fund Sources Affected</b>	<b>Affected Ch. 20 Appropriations</b>
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input checked="" type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	
<b>Agency/Prepared By</b> DNR/ Joe Polasek (608) 266-2794	<b>Authorized Signature</b> Joe Polasek (608) 266-2794
	<b>Date</b> 2/9/2005

**Fiscal Estimate Narratives**  
**DNR 2/10/2005**

LRB Number <b>05-0616/1</b>	Introduction Number <b>AB-34</b>	Estimate Type <b>Original</b>
<b>Subject</b> Prohibit landfilling of dredged materials containing PCBs		

**Assumptions Used in Arriving at Fiscal Estimate**

Bill Summary: The bill eliminates the DNR's authority to enter into indemnification agreements with municipalities that accept dredged materials from the Great Lakes and are contaminated with polychlorinated biphenyls (PCBs). The bill also prohibits the operator of a solid waste disposal facility from accepting dredged materials for disposal if the dredged materials contain PCBs.

This bill would impact the current dredging plan for the Fox River and any future dredging that may contain contamination from PCBs, such as the Sheboygan River and Hayton Mill Pond projects.

Fiscal Impact: According to the original proposed remedial action plan for the Lower Fox and Green Bay, (prepared by the DNR and USEPA in October, 2001), for each operative unit, a series of alternatives were proposed. These alternatives include:

- No Action
- Monitored Natural Recovery
- Dredge with off-site disposal
- Dredge with a Confined Disposal Facility
- Dredge and High Temperature Desorption
- In Situ Capping

The range of costs associated with these alternatives for all of the operative units is \$36 million for the No Action alternatives to \$3.5 billion for the most expensive alternative as it would apply to each unit.

The current plan for the Fox River clean up calls for placing the contaminated sediment in landfills. According to the original proposed remedial action plan for the Lower Fox and Green Bay, the cost for dredging with off-site disposal was recorded for four of the five operative units as \$268 million total. The amounts are broken down below:

- Operative Unit 1 - Little Lake Butte des Morts - \$57.6 million
- Operative Unit 2 - Appleton to Little Rapids - \$9.9 million
- Operative Unit 3 - Little Rapids to De Pere - \$30.9 million
- Operative Unit 4 - De Pere to Green Bay - \$169.6 million

For Operative Unit 5 - all of Green Bay - the proposed alternative was to monitor the natural recovery of the area at a cost of \$39.6 million.

The proposed plan calls for a total of \$307 million for all five units assuming four of the five units utilize landfilling.

This bill would require the use of an alternative other than landfilling the contaminated sediment. The total fiscal effect will depend on the chosen alternative at each operative unit. Since Operative Unit 5 does not call for landfilling, it would not be impacted by the bill. The costs for alternatives related to Operative Units 1-4 will range from \$18 million for No Action to \$1.1 billion for the most expensive alternative as it would apply to each unit.

In the example of the Fox River clean up, the costs are being paid by the Department of Natural Resources, but funded by revenue from the responsible parties. The effect of this bill will be to increase or decrease the revenue amounts from the responsible parties, depending on the alternative chosen for each Operative Unit, and thus increase or decrease expenditures from the Department. These costs cannot be determined until the alternatives are chosen.

**Long-Range Fiscal Implications**

Increased but indeterminate costs for disposal of PCB-contaminated dredged material.

## Fiscal Estimate Worksheet - 2005 Session

Detailed Estimate of Annual Fiscal Effect

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> 05-0616/1		<b>Introduction Number</b> AB-34	
<b>Subject</b>			
Prohibit landfilling of dredged materials containing PCBs			
<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		\$	
(FTE Position Changes)			
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
<b>TOTAL State Costs by Category</b>		<b>\$</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>			
GPR			
FED			
PRO/PRS			
SEG/SEG-S			
<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		\$	\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
<b>TOTAL State Revenues</b>		<b>\$</b>	<b>\$</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>			
		State	Local
NET CHANGE IN COSTS		\$	\$
NET CHANGE IN REVENUE		\$	\$
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	<b>Date</b>
DNR/ Joe Polasek (608) 266-2794		Joe Polasek (608) 266-2794	2/9/2005