

2013 DRAFTING REQUEST

Assembly Amendment (AA-AB40)

Received: 5/22/2013
Wanted: As time permits
For: Legislative Fiscal Bureau
May Contact:
Subject: Environment - air quality

Received By: btradewe
Same as LRB:
By/Representing: Bonderud
Drafter: btradewe
Addl. Drafters:
Extra Copies:

Submit via email: YES
Requester's email: Legislative Fiscal Bureau
Carbon copy (CC) to:

Pre Topic:

LFB:.....Bonderud -

Topic:

Air registration permit for sources with less than 50% of federal major source thresholds

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/P1	btradewe 5/23/2013	evinz 5/23/2013	phenry 5/23/2013	_____	lparisi 5/23/2013		

FE Sent For:

<END>

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/P1	btradewe	pl/eev 5/23/13	5/23 ph	ph/jpa			

FE Sent For:

<END>

NATURAL RESOURCES -- ENVIRONMENTAL QUALITY

Air Permit Fees -- State-Regulated Sources
[LFB Paper #476]

Motion:

Move to approve the following changes related to fees and air operation permit requirements for state-regulated sources of air pollutants:

1. Approve an increase to the \$300 annual fee paid by most facilities that obtain an air operation permit as a state-regulated source instead of a federally-regulated source, to \$400 for fees assessed beginning in 2013-14 and subsequent years.

2. Delete \$740,200 PR annually with 8.0 PR positions from the air state-regulated operations permit appropriation (12.0 positions would remain).

3. Establish a separate registration permit authorizing construction or operation or both that authorizes any source with actual emissions that are equal to or less than 50 percent of any applicable major source threshold established under the federal Clean Air Act. Specify that the provision would be subject to a requirement that prohibits DNR from taking any action under air pollution control permit requirements that conflicts with the federal Clean Air Act.

4. Require DNR to exempt natural minor sources of air emissions from the requirement to obtain a state air operation permit. Specify that the provision would be subject to a requirement that prohibits DNR from taking any action under air pollution control permit requirements that conflicts with the federal Clean Air Act. Authorize DNR to promulgate administrative rules to define "natural minor sources." Require the Department to pursue any necessary changes to state implementation plans that may currently require a natural minor source to obtain a state operation permit, but that is not otherwise required to obtain an air pollution control permit by the federal Clean Air Act. Require DNR to submit a report by March 1, 2015, to the Joint Committee on Finance and standing committees on the progress the Department has made in exempting natural minor sources from air operation permits.

5. Require DNR to contact facilities that hold state-regulated air operation permits on an annual basis, and to inform the facilities of the benefits of obtaining a registration operation permit or permit exemptions.

6. Require DNR to evaluate current reporting, recordkeeping, and monitoring requirements for air operation permits for sources subject to state operation permit requirements. Direct DNR to promulgate rules that: (a) simplify, streamline, reduce, and make more efficient, the requirements for recordkeeping, monitoring and reporting that apply to permits required for air emission sources; and (b) include requirements that are consistent with any applicable requirement under the federal clean air act.

Note:

The motion would increase the \$300 annual air operation permit fee for most state-regulated sources that would be subject to \$400 in 2013-14 and subsequent years. This would be an increase in revenue from current law of \$341,600 over the biennium, including \$170,800 in 2013-14 and \$170,800 in 2014-15. This would provide \$1,040,600 less program revenue than originally estimated under the bill during the biennium, including \$520,300 less in 2013-14 and \$520,300 less in 2014-15.

While US EPA is expected to have the opportunity to review and comment on the separate registration permit that would be created under the motion, DNR staff indicate they believe the Department would not need to obtain approval from EPA for changes in the program. Changes to air permit exemptions would need to comply with federal Clean Air Act requirements.

The motion would delete \$740,200 PR annually and 8.0 of 20.0 currently authorized positions for administration of state-regulated air operation permit sources. The motion would be expected to generate a total of approximately \$1.3 million in annual revenues beginning in 2013-14, with expenditure authority of approximately \$1.6 million.

The following table shows the revenue change to current law as compared with the bill.

Estimated Revenue - Air Permit Fees, State-Regulated Sources

<u>Fiscal Year</u>	<u>Current Law</u>	<u>Bill as Reestimated</u>	<u>Motion</u>
2013-14	\$1,094,600	\$1,820,500	\$1,265,400
2014-15	<u>1,094,600</u>	<u>1,820,500</u>	<u>1,265,400</u>
Total Revenue 2013-15	\$2,189,200	\$3,641,000	\$2,530,800
Total Change to Current Law 2013-15 Biennium		\$1,451,800	\$341,600

[Change to Bill: -\$1,040,600 PR-REV, -\$1,480,400 PR and -8.0 PR positions]



State of Wisconsin
2013 - 2014 LEGISLATURE

In 5/23



LRBb0169/P1

RCT:.....

Leev
OK

LFB:.....Bonderud – Air registration permit for sources with less than 50% of federal major source thresholds

FOR 2013-2015 BUDGET – NOT READY FOR INTRODUCTION

ASSEMBLY AMENDMENT ,

TO ASSEMBLY BILL 40

1 At the locations indicated, amend the bill as follows:

2 1. Page 924, line 12: after that line insert:

3 “SECTION 2104n. 285.60 (2g) (am) of the statutes is created to read:

4 285.60 (2g) (am) Subject to sub. (8), the department shall issue a registration
5 permit authorizing the construction or operation or both for any stationary source
6 with actual emissions that do not exceed 50 percent of any applicable major source
7 threshold under s. 285.11 (16).”

8 (END)

*① Registration permit
for certain sources.*

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRBb0169/P1dn

RCT: /:....

ceev

date

Kendra Bonderud:

An alternative to referencing s. 285.11 (16) would be to reference the relevant rule, ~~s.~~ NR
✓407.02 (4), Wis. Adm. Code, although it is generally preferable to use a statutory
reference when that is possible.

Rebecca C. Tradewell
Managing Attorney
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**DRAFTER'S NOTE
FROM THE
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LRBb0169/P1dn
RCT:eev:ph

May 23, 2013

Kendra Bonderud:

An alternative to referencing s. 285.11 (16) would be to reference the relevant rule, NR 407.02 (4), Wis. Adm. Code, although it is generally preferable to use a statutory reference when that is possible.

Rebecca C. Tradewell
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State of Wisconsin
2013 - 2014 LEGISLATURE



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RCT:eev:ph

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ASSEMBLY AMENDMENT ,
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1 At the locations indicated, amend the bill as follows:

2 **1.** Page 924, line 12: after that line insert:

3 **“SECTION 2104n.** 285.60 (2g) (am) of the statutes is created to read:

4 285.60 (2g) (am) REGISTRATION PERMIT FOR CERTAIN SOURCES. Subject to sub. (8),
5 the department shall issue a registration permit authorizing the construction or
6 operation or both for any stationary source with actual emissions that do not exceed
7 50 percent of any applicable major source threshold under s. 285.11 (16).”.

8 (END)