

Fiscal Estimate - 2019 Session

☒ Original
 ☐ Updated
 ☐ Corrected
 ☐ Supplemental

LRB Number 19-5679/1	Introduction Number AB-0894	
Description livestock facility siting and expansion and granting rule-making authority		
Fiscal Effect State: <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> No State Fiscal Effect <input checked="" type="checkbox"/> Indeterminate <div style="margin-left: 20px;"> <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations </div> </div> <div style="width: 33%;"> <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues </div> <div style="width: 33%;"> <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <div style="margin-left: 40px;"> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No </div> <input type="checkbox"/> Decrease Costs </div> </div>		
Local: <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> No Local Government Costs <input checked="" type="checkbox"/> Indeterminate <div style="margin-left: 20px;"> 1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input checked="" type="checkbox"/> Decrease Costs <input checked="" type="checkbox"/> Permissive <input type="checkbox"/> Mandatory </div> </div> <div style="width: 33%;"> <div style="margin-left: 20px;"> 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="width: 33%;"> 5. Types of Local Government Units Affected <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input checked="" type="checkbox"/> Towns <input checked="" type="checkbox"/> Counties <input type="checkbox"/> School Districts </div> <div style="width: 33%;"> <input type="checkbox"/> Village <input type="checkbox"/> Others <input type="checkbox"/> WTCS Districts </div> <div style="width: 33%;"> <input type="checkbox"/> Cities </div> </div> </div> </div>		
<div style="display: flex; justify-content: space-between;"> <div> Fund Sources Affected <input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input checked="" type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.115 (7)(qd) </div> <div> Affected Ch. 20 Appropriations </div> </div>		
Agency/Prepared By DATCP/ Jason Gherke (608) 224-4748	Authorized Signature Jason Gherke (608) 224-4748	Date 2/13/2020

Fiscal Estimate Narratives

DATCP 2/13/2020

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Description livestock facility siting and expansion and granting rule-making authority					

Assumptions Used in Arriving at Fiscal Estimate

This bill makes significant changes to the Livestock Facility Siting law, s. 93.90, Wis. Stats. These changes include, among other things:

- *Creation of a Livestock Siting Technical Review Board and a new role for this board in the rule promulgation process
- *Significant changes to the submission process and review of the applications, moving the initial process from local governments to DATCP
- *Creation of a permit modification process
- *Changes to the appeals process
- *Additional limits on local government's ability to disapprove a livestock facility or facility expansion
- *New role for DNR in the review of applications
- *New fees and limits on security bonds

This bill creates an entirely new livestock facility siting administrative structure and will create significant additional work for DATCP over the next 30 months. This includes selecting Livestock Siting Technical Review Board members and establishing the Board operations; reviewing and rewriting the rule (if allowed by the Board) to match the new law (the application is part of the rule); developing an application submission and review process; educating local governments and livestock facility operators about the new process; providing local governments technical assistance to amend their local ordinances and working with DNR to establish their new role in the review process. The cost of moving this to DATCP is indeterminate. All of the major programmatic updates will have to be completed by existing staff since no positions are included in the bill.

Acceptance and review of applications may require additional resources, depending on the number of applications, including permit modifications, received. Over the last six years there have been an average of 15 siting permits issued statewide per year, which would result in \$11,250 in fees to DATCP at the \$750 per permit fee included in the bill. The fee would account for approximately 15 hours of review per application, based on an average cost of \$50/hour (salary/fringe/supplies & services). Depending on the complexity of the applications received, this may or may not cover the cost of review from the program manager, engineer, and nutrient management specialist. The total fee revenue garnered from 15 applications would cover about 225 staff hours, or less than 0.15 FTE. Even under the best case scenario, that is unlikely to cover the actual staff time required to administer the livestock facility siting program.

The cost to local government is also indeterminate. While the initial review and approval process would be handled by DATCP under this bill, there is still a local review and approval process. The bill sets the maximum local fee at \$1,000, which is consistent with the current fee in ATCP 51 and which local governments have stated is insufficient to cover their costs. However, with the initial review and approval handled by DATCP the overall cost to issue the local approval should be reduced by this bill, although it is unknown if these costs will be lower than \$1,000. The bill also allows for an inflationary increase to this fee.

Long-Range Fiscal Implications

After the initial 30 months to update administrative policies and procedures, the cost to local governments and DATCP will be determined entirely by the number and complexity of livestock facility siting applications and permit modifications the department receives annually. A few applications and permit modifications per year will not likely pose a significant workload to DATCP staff after the first couple of years. However, if additional local

governments adopt livestock siting because DATCP will now be primarily responsible for reviewing and approving applications, DATCP will required additional programmatic, engineering and nutrient management positions.