

### Fiscal Estimate - 2021 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> <b>21-6183/1</b>	<b>Introduction Number</b> <b>AB-1107</b>
<b>Description</b> creating the water fund for our future and making an appropriation	
<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 checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs	
<b>Local:</b>	
<input type="checkbox"/> No Local Government Costs <input checked="" type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs      3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs      4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 5. Types of Local Government Units Affected <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	
<b>Fund Sources Affected</b>	
<input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	
<b>Affected Ch. 20 Appropriations</b>	
<b>Agency/Prepared By</b>	<b>Authorized Signature</b>
DNR/ Paul Neumann (608) 266-0818	Paul Neumann (608) 266-0818
	<b>Date</b>
	3/17/2022

## Fiscal Estimate Narratives

DNR 3/17/2022

LRB Number	21-6183/1	Introduction Number	AB-1107	Estimate Type	Original
<b>Description</b> creating the water fund for our future and making an appropriation					

### Assumptions Used in Arriving at Fiscal Estimate

The bill creates a new non-lapsible trust fund, designated as the water fund for our future, to consist of \$10 million transferred biennially from the general fund, plus all moneys collected from settlement agreements. It has three main provisions:

1. It allows the Department to use funds from the rapid response account of the water fund for our future to respond to natural disasters and public health emergencies. Funds could be used to cover the cost of remediation and to notify, relocate, and assist people affected by a natural disaster or public health emergency.

#### State Fiscal Effect

##### A. One-time Costs

The Department would incur an estimated \$49,500 in one-time staffing costs to promulgate administrative rules for the use of monies deposited into the rapid response account.

##### B. Ongoing Costs

The Department assumes that this provision pertains to natural disasters or public health emergencies affecting surface water or groundwater. In addition, it assumes that these events do not rise to the level of a federal disaster declaration; therefore, response costs that the Department incurs would not be reimbursable from FEMA or other federal agencies.

The Department estimates that 1.0 FTE and ongoing costs of \$99,000 for salary, fringe benefits and supplies would be needed to implement the provisions of the bill relating to the rapid response account.

The amount of funds that the Department would be able to use from the rapid response account on an annual basis is indeterminate.

2. It allows the Department to seek reimbursement from responsible parties for funds expended from the water fund for our future.

#### State Fiscal Effect

The fiscal impact of this provision is indeterminate.

3. It allows the Department, or any other state agency, to submit a request to the Joint Committee on Finance (JCF) for supplemental funds from the water fund for our future.

#### State Fiscal Effect

The fiscal impact of this provision is indeterminate. As the bill is worded, it is unclear what criteria that agencies would use to determine if a request for supplemental funds could be advanced to JCF for consideration, or what monies would be available after transfers have been made to the rapid response account and/or to the budget stabilization fund.

It is foreseeable that DNR alone could demonstrate the need for \$10 million or more clean water-related projects each biennium.

### Long-Range Fiscal Implications

## Fiscal Estimate Worksheet - 2021 Session

Detailed Estimate of Annual Fiscal Effect

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<b>Description</b> creating the water fund for our future and making an appropriation		
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>  An estimated \$49,500 in one-time costs to promulgate administrative rules for the use of moneys in the rapid response account.		
<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	\$94,000	\$
(FTE Position Changes)	(1.0 FTE)	
State Operations - Other Costs	5,000	
Local Assistance		
Aids to Individuals or Organizations		
<b>TOTAL State Costs by Category</b>	<b>\$99,000</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>		
GPR	99,000	
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>		
	<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS	\$99,000	\$
NET CHANGE IN REVENUE	\$	\$
<b>Agency/Prepared By</b> <b>Authorized Signature</b> <b>Date</b>		
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