

LRB or Bill No./Adm. Rule No.
 AB 366, 99-2982/1
 Amendment No. if Applicable

ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

FISCAL ESTIMATE

DOA-2048 N(R10/94)

Subject

Mercury Emission Limits; Mercury Fish Advisories

Fiscal Effect

State: No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.

- Increase Existing Appropriation Increase Existing Revenues
- Decrease Existing Appropriation Decrease Existing Revenues
- Create New Appropriation

- Increase Costs - May be possible to Absorb Within Agency's Budget Yes No
- Decrease Costs

Local: No local government costs

- 1. Increase Costs
 Permissive Mandatory
- 2. Decrease Costs
 Permissive Mandatory

- 3. Increase Revenues
 Permissive Mandatory
- 4. Decrease Revenues
 Permissive Mandatory

5. Types of Local Government Units Affected:
- Towns Villages Cities
 - Counties WTCS Districts
 - School Districts Others

Fund Sources Affected

GPR FED PRO PRS SEG SEG-S

Affected Ch. 20 Appropriations

20.370(2)(bh);(2)(bg);(4)(ma)

Assumptions Used in Arriving at Fiscal Estimate

SUMMARY OF BILL -This bill limits the amount of mercury that may be emitted into the air by major utilities, solid waste incinerators, and chlor-alkali plants beginning in 2001. Using the year 1999 as a baseline, mercury emissions will be limited over a 15 year period using a graduated schedule starting at 100% of the baseline for 2001 to 2004; 85% of the utilities baseline for 2005 to 2009; 70% of the baseline for 2010 to 2014; and 50% of the baseline in 2015 and thereafter. The Department of Natural Resources may grant a variance from the mercury emission limits for certain circumstances. The bill requires the Department to establish a methodology for determining annual mercury emissions and to review and approve annual compliance plans. The bill requires annual reports of mercury emissions by the major utilities. The bill imposes an assessment on major utilities for mercury deposition studies and evaluation and monitoring activities. The bill establishes a state goal of not exceeding 50% of total year 2000 mercury emissions by 2010 and requires the department to prepare a report recommending additional emission reduction measures if the department determines, in 2011, that the goal has not been met.

The bill requires DNR to distribute copies of a mercury fish advisory to each person who obtains a sport fishing licence. The bill also requires DNR to post signs about the fish advisory at boat landings on waterbodies with a mercury fish advisory.

The bill requires persons who generate medical waste that is sent to a medical waste incinerator to develop measures to reduce the amount of mercury in medical wastes.

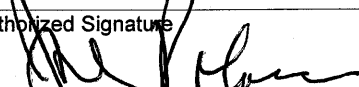
FISCAL IMPACT - The bill will require 2.5 FTE to: develop administrative rules for the assessment of fees on the major utilities; provide legal review; develop administrative rules for the submission and review for approval of annual compliance plans and reporting by persons operating incinerators and chlor-alkali plants; develop the methodology to determine annual mercury emissions of major utilities; define the circumstances under which a variance may be granted from the limits, and address the medical waste requirements.

Upon completion of the rule development, the 2.5 FTE work responsibilities will include evaluation of the emission limits under the process, review and approve or disapprove annual compliance plans, grant variances, determine compliance, prepare a biennial report on the amount of mercury emitted in the generation of electricity in the state and prepare the excess mercury emissions report that may be necessary if total mercury emissions in the state are at or below 50% of the baseline emissions (year 2000) by the year 2010. The 2.5 FTE cannot be funded from the utility assessment due to the limited use of the appropriation. FTE cost for these positions are \$65,000 per FTE

2 FTE will be required to conduct the mercury deposition studies and the evaluation/monitoring activities, along with an annual research budget of \$250,000. The costs for the deposition studies and the evaluation and monitoring are to be recovered through an assessment to the major utilities. FTE costs for these positions are \$50,000 per FTE.

Long-Range Fiscal Implications

The Long range fiscal implications are listed on page 2.

Agency	Prepared By	Phone No.	Authorized Signature	Phone No.	Date
DNR	Joe Polasek	(608) 266-2794		(608) 266-2794	05/28/1999

Assumptions Used in Arriving at Fiscal Estimate

In order to implement the fish advisory requirements of the bill, 2 FTE are needed from appropriation (4)(ma) for posting signs and conducting fish tissues analyses. In addition, \$35,000 one-time is needed to post the 321 waterbodies/lakes with an average of 5 boat landings per waterbody (approximately 1600 locations.) To replace the estimated 500 signs lost to vandalism each year \$5,000 is needed. To ensure that each of the 1.25 million fishing licenses sold annually is accompanied by a copy of the fish advisory, \$125,000 is needed. Finally continued testing of fish samples will require \$270,000 annually.

LONG RANGE FISCAL IMPLICATIONS:

This bill will require evaluation of mercury emissions relative to the limits included in the bill; review and approval of annual compliance plans and biennial reporting of emissions from utilities beyond the year 2015. The bill does not contain a sunset of the fish advisory notification or of posting of signs. This will require long-term commitment by the DNR to monitor and update the advisory and to replace the signs. Mercury deposition monitoring and evaluation is also expected, though the costs will be assessed on the major utilities to ensure this research continues.

FISCAL ESTIMATE WORKSHEET

1999 Session

Detailed Estimate of Annual Fiscal Effect
DOA-2047 (R10/94)

ORIGINAL UPDATED
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AB 366, 99-2982/1	

Subject
Mercury Emission Limits; Mercury Fish Advisories

I. One-Time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal affect):
\$35,000 FOR FTE AND SIGNS TO POST FISH ADVISORIES

II. Annualized Costs:	Annualized Fiscal impact on State funds from:	
	Increased Costs	Decreased Costs
A. State Costs by Category		
State Operations - Salaries and Fringes	\$362,500	
(FTE Position Changes)	6.50	
State Operations - Other Costs	\$650,000	
Local Assistance		
Aids to Individuals or Organizations		
TOTAL State Costs by Category	\$1,012,500	

B. State Costs by Source of Funds	Annualized Fiscal impact on State funds from:	
	Increased Costs	Decreased Costs
GPR	\$500,000	
FED		
PRO/PRS	\$512,500	
SEG/SEG-S		

III. State Revenues:	Annualized Fiscal impact on State funds from:	
	Increased Rev.	Decreased Rev.
Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)		
GPR Taxes		
GPR Earned		
FED		
PRO/PRS	\$500,000	
SEG/SEG-S		
TOTAL State Revenues	\$500,000	

NET ANNUALIZED IMPACT

	<u>STATE</u>	<u>LOCAL</u>
NET CHANGE IN COSTS	\$1,012,500	\$0
NET CHANGE IN REVENUES	\$500,000	\$0

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