

Fiscal Estimate — 2001 Session

Original Updated
 Corrected Supplemental

LRB Number s0046/1	Amendment Number if Applicable
Bill Number SSA to SB 44	Administrative Rule Number

Subject
 Authority of the Department to Regulate High Capacity Wells

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 Governmental Units Affected:
 Towns Villages Cities
 Counties Others
 School Districts WTCS Districts

Fund Sources Affected

GPR FED PRO PRS SEG SEG-S

Affected Chapter 20 Appropriations
 s 20.370 (4) (ma)

Assumptions Used in Arriving at Fiscal Estimate

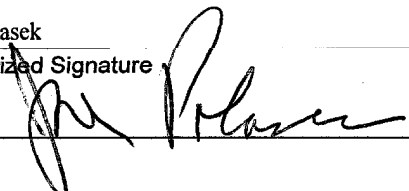
Bill Summary: This bill requires that the Department provide in each approval for a high-capacity well that the water withdrawn from the well may not be used to produce bottled water unless the Department approves use of the well for that purpose. The bill requires that the Department withhold, condition, or modify its approval in order to minimize adverse effects to water quality caused by a high-capacity well used to produce bottled drinking water. The bill also requires that the Department prepare an environmental impact statement (EIS) for each decision concerning the use of a high-capacity well to produce bottled drinking water.

Fiscal Estimate: The bill will increase costs to the Department by an estimated \$ 65,200 in salary and supplies related expenditures associated with approximately 1.0 FTE. This estimate of fiscal impact includes costs associated with 1) assisting and guiding an estimated 2 annual high capacity permit applicants—who propose to supply water for water bottling purposes—with completing an EIS for their proposed wells; and 2) Department review of the 2 EISs prepared by high capacity permit applicants. The individual elements of this fiscal estimate are itemized below:

Impact Assessment: The Bill requires an EIS for each well that is used to produce bottled drinking water. The Department anticipates receiving between 1 and 2 requests per year for approvals of wells to supply water bottlers directly. The Department assumes, based on an estimate given to Perrier by the U.S. Geological Survey, that this assessment would cost approximately \$70,000 and take about 12 months to complete. The Department assumes that the cost of the study would be borne by the applicant. Department staff would be involved during development of the study by providing assistance and guidelines to the applicant and responding to questions from the applicant, its consultant, and other interested parties. Because technical studies of this type are not common and consultants will likely have many questions, the Department estimates that DNR staff involvement during the study development would require approximately 200 hours of an advanced hydrogeologist's time per study.

Long-Range Fiscal Implications

None.

Prepared By: Joe Polasek	Telephone No. 266-2794	Agency Department of Natural Resources
Authorized Signature 	Telephone No. 266-2794	Date (mm/dd/ccyy) 02/28/01

Fiscal Estimate — 2001 Session

Page 2 Assumptions Narrative Continued

LRB Number s0046/1	Amendment Number if Applicable
Bill Number SSA to SB 44	Administrative Rule Number

Assumptions Used in Arriving at Fiscal Estimate – Continued

200 hours x 2 applications = 400 hours

400 hours/1820 hours per FTE = 0.22 FTE (Hydrogeologist – Adv.)

Hydrogeologist – Adv. (\$24.47/hr salary & fringe) x 2080 hours + \$4000 supplies related expenditures = \$54,900 x
0.22 FTE = \$12,100

EIS Review: Once the high-capacity well permit applicant has completed and submitted the above-referenced EIS, the Department estimates that approximately 400 hours of DNR Drinking Water and Groundwater bureau staff time would be required to review the study, recommend an action (approval or disapproval), specify any required conditions of an approval, and provide the public with an opportunity to comment on the action. This estimated time is based on the amount of time currently spent by Department program staff conducting a completeness review of a landfill feasibility study, which is a comparatively complex study of the type anticipated in high-capacity well permit cases.

400 hours x 2 applications = 800 hours

800 hours/1820 hours per FTE = 0.44 FTE (Hydrogeologist – Adv.)

Hydrogeologist – Adv. (\$24.47/hr salary & fringe) x 2080 hours + \$4000 supplies-related expenditures = \$54,900 x
0.44 FTE = \$24,200.

Additional Staff Involvement: In addition to the hydrogeologist assigned to the EIS, there are additional Department staff involved with the preparation, investigation, review, and public comment processes associated with EISs. This would include legal staff, regional fisheries management and habitat protection staff, and environmental analysis and review staff. The time estimate for these activities is based on past experience with non-controversial environmental reviews conducted under NR 150. It is estimated that an additional 400 hours of DNR staff time would be spent.

Legal Staff

100 hours x 2 applications = 200 hours

200 hours/1820 hours per FTE = 0.10 FTE (Attorney)

Attorney (\$41.28/hr salary & fringe) x 2080 hours + \$4000 supplies related expenditures = \$89,900 x 0.10 = \$9,000

Fisheries Staff

200 hours x 2 = 400 hours

400 hours/1820 hours per FTE = 0.22 FTE (Fisheries Biologist – Adv.)

Fisheries Biologist – Adv. (\$28.21/hr salary & fringe) x 2080 hours + \$4000 supplies related expenditures = \$62,800 x
0.22 FTE = \$13,800.

Environmental Analysis Staff

100 hours x 2 = 200 hours

200 hours/1820 hours per FTE = 0.10 FTE (Env. Analysis & Review Spec. – Adv.)

Env. Analysis & Review Spec. – Adv. (\$27.52/hr. salary & fringe) x 2080 hours + \$4000 supplies related expenditures
= \$61,200 x 0.10 FTE = \$6,100.

Fiscal Estimate Worksheet — 2001 Session

Detailed Estimate of Annual Fiscal Effect

Original Updated
 Corrected Supplemental

LRB Number s0046/1	Amendment Number if Applicable
Bill Number SSA to SB 44	Administrative Rule Number

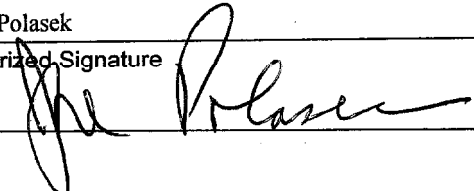
Subject
 Authority of the Department to Regulate High Capacity Wells

One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):
 None.

Annualized Costs:		Annualized Fiscal Impact on State Funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations — Salaries and Fringes		\$ 65,200	\$ -
(FTE Position Changes)		(1.08 FTE)	(- FTE)
State Operations — Other Costs			-
Local Assistance			-
Aids to Individuals or Organizations			-
Total State Costs by Category		\$ -	\$ -
B. State Costs by Source of Funds			
GPR		\$ 65,200	\$ -
FED			-
PRO/PRS			-
SEG/SEG-S			-
State Revenues		Increased Revenue	Decreased Revenue
<small>Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</small>			
GPR Taxes		\$ -	\$ -
GPR Earned			-
FED			-
PRO/PRS			-
SEG/SEG-S			-
Total State Revenues		\$ -	\$ -

Net Annualized Fiscal Impact

	State	Local
Net Change in Costs	\$ 65,200	\$ 0
Net Change in Revenues	\$ 0	\$ 0

Prepared By: Joe Polasek	Telephone No. 266-2794	Agency Department of Natural Resources
Authorized Signature 	Telephone No. 266-2794	Date (mm/dd/ccyy) 02/28/01