

Fiscal Estimate - 2003 Session

Original
 Updated
 Corrected
 Supplemental

| | |
|--|---|
| LRB Number 03-2582/2 | Introduction Number SB-429 |
| Subject Residential well air filtration | |
| Fiscal Effect | |
| State: | |
| <input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate | |
| <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations | <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Decrease Costs |
| Local: | |
| <input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate | |
| 1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 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 |
| 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 | |
| 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 20.370(4) mq | |
| Affected Ch. 20 Appropriations | |
| Agency/Prepared By DNR/ Joe Polasek (608) 266-2794 | Authorized Signature Joe Polasek (608) 266-2794 |
| Date 2/12/2004 | |

Fiscal Estimate Narratives

DNR 2/12/2004

| | | | |
|---------------------------------|----------------------------|---------------|----------|
| LRB Number 03-2582/2 | Introduction Number SB-429 | Estimate Type | Original |
| Subject | | | |
| Residential well air filtration | | | |

Assumptions Used in Arriving at Fiscal Estimate

Bill Summary:

This bill requires the owner of a residential well that is drilled, rather than driven, to filter air that enters the well to prevent bacteria from contaminating the well water if water from the well tests positive for bacteria or if construction of the well begins more than six months after the bill is enacted. The bill also requires the Secretary of the Department of Natural Resources to appoint a committee to review the operation of the filtering requirement established by the bill and requires the committee to report the results of its review to the Legislature in five years.

Fiscal Impact:

Annual costs:

Because of the additional cost of the filter and the limited information on its effectiveness, it is believed that there will be a relatively high level of non-compliance by the regulated community. Therefore, the Department estimates that it will be necessary to issue violation letters for approximately 20% of the wells constructed each year. During an average year 16,000 private wells are constructed in Wisconsin. Therefore it is estimated that approximately 3200 violation letters will be issued. It is assumed that it takes approximately two hours of a Water Supply Specialist's time to issue each letter and handle the follow-up calls and inspection.

3200 letters x 2 hours/letter = 6400 hours

6400 hours/1800 hours/FTE = 3.56 FTE (Water Supply Specialist – Adv.)

Water Supply Spec. Adv. (\$30.98/hr salary and fringe) x 2080 + \$5200 supplies related expenditures = \$69,600 x 3.56 FTE = \$247,800

One-Time costs:

In order to support the preparation of the review report required by this bill, it is assumed the Department will have to develop and implement a special investigation. This investigation would sample water from a cross section of wells throughout the state - some wells would have the filter and some would be without a filter. Samples would then be analyzed for bacteria. In order for this investigation to be statistically valid, it is assumed that approximately 500 wells will need to be sampled. The Department estimates that it takes approximately two hours of a Water Supply Specialist's time to travel to and sample each well. In addition to staff time, it will cost approximately \$19.50/sample for the lab analysis.

500 samples x 2 hour/sample = 1000 hours

1000 hours/1800 hours/FTE = 0.56 FTE (Water Supply Specialist – Adv.)

Water Supply Spec. Adv. (\$30.98/hr salary and fringe) x 2080 + \$5200 supplies related expenditures = \$69,600

x 0.56 FTE = \$39,000

500 Samples x \$19.50 = \$9,700

Total Cost (\$39,000 + \$9,700) = \$48,700

This bill requires the formation of a committee to review the operation of the well air filter requirement. It is estimated that it will take approximately 900 hours to form the committee and facilitate meetings.

900 hours/1800 hours/FTE = 0.50 FTE (Water Supply Specialist – Adv.)

Water Supply Spec. Adv. (\$30.98/hr salary and fringe) x 2080 + \$5200 supplies related expenditures = \$69,600

x 0.50 FTE = \$34,800

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2003 Session

Detailed Estimate of Annual Fiscal Effect

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|--|--|--|-----------------|
| LRB Number 03-2582/2 | | Introduction Number SB-429 | |
| Subject | | | |
| Residential well air filtration | | | |
| I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): | | | |
| \$83,500 | | | |
| II. Annualized Costs: | | Annualized Fiscal Impact on funds from: | |
| | | Increased Costs | Decreased Costs |
| A. State Costs by Category | | | |
| State Operations - Salaries and Fringes | | \$229,300 | |
| (FTE Position Changes) | | (3.6 FTE) | |
| State Operations - Other Costs | | 18,500 | |
| Local Assistance | | | |
| Aids to Individuals or Organizations | | | |
| TOTAL State Costs by Category | | \$247,800 | \$ |
| B. State Costs by Source of Funds | | | |
| GPR | | | |
| FED | | | |
| PRO/PRS | | | |
| SEG/SEG-S | | 247,800 | |
| III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.) | | | |
| | | Increased Rev | Decreased Rev |
| GPR Taxes | | \$ | \$ |
| GPR Earned | | | |
| FED | | | |
| PRO/PRS | | | |
| SEG/SEG-S | | | |
| TOTAL State Revenues | | \$ | \$ |
| NET ANNUALIZED FISCAL IMPACT | | | |
| | | State | Local |
| NET CHANGE IN COSTS | | \$247,800 | \$ |
| NET CHANGE IN REVENUE | | \$ | \$ |
| Agency/Prepared By | | Authorized Signature | Date |
| DNR/ Joe Polasek (608) 266-2794 | | Joe Polasek (608) 266-2794 | 2/12/2004 |