



## Fiscal Estimate Narratives

DATCP 6/16/2003

LRB Number	<b>03-2597/1</b>	Introduction Number	<b>AB-380</b>	Estimate Type	<b>Original</b>
<b>Subject</b>					
Applicability of rules concerning storage of bulk fertilizer and pesticide					

### Assumptions Used in Arriving at Fiscal Estimate

The following assumptions were used in determining the fiscal implications to the department:

The change in statutes would apply to an estimated 1,000 operations that are currently not required to comply with the existing statute. This information is based on a survey of industry we conducted indicating that approximately 700 farmers are currently storing bulk fertilizers in fixed tanks, 800 farmers are storing bulk fertilizer in mobile containers for more than 10 days, 800 farmers are storing bulk fertilizer in mobile containers for less than 10 days and 1,300 farmers are storing bulk pesticides. We are assuming that we would modify our existing rules to only apply to those farmers that are storing bulk products for more than 10 days. We are also assuming that the same farmers that are storing bulk fertilizers are the same ones storing bulk pesticides. Further, we assumed that if this statute went into effect, the estimated cost to comply with the regulations (\$1,000 - \$15,000 based upon the size of the structure needed), would result in one third of the remaining 1,500 farmers choosing to no longer store bulk fertilizer or pesticides to avoid the regulations.

In calculating the required staff time necessary, we assumed that we would inspect and regulate these operations similar to how we regulate and inspect bulk agricultural dealers. Each farm containment structure would be inspected every five years. Currently, we inspect each dealership every three years to ensure compliance and to verify compliance has been achieved through bulk follow up activities, where necessary.

### Long-Range Fiscal Implications

The expected long-range fiscal implications are two additional staff to address the changes resulting from the proposed statutory change. One additional field person (Environmental Enforcement Specialist) and one additional bulk storage specialist (Environmental Analysis and Review Specialist) in the Madison office. The following time projections are provided as the basis in determining the additional staff requirement:

Year 1 - Time for developing rules: 400 hours

Year 1 - Time to develop outreach materials and conduct question and answer (training) sessions: 500 hours

Annually - Conducting compliance assistance to farmers through out Wisconsin: 500 hours

Annually - Conducting on-site inspections: 1600 hours each year (based upon 1000 farms X 8 hours per inspection divided by 5 years)

Annually - Tracking, reviewing and following up on inspections: 1000 hours each year (based upon 1000 farms X 5 hours per inspection review and follow up contacts divided by 5 years)

Annually - Compliance actions resulting from inspections: 600 hours (based upon 60 hours per each compliance action at 10 actions per year)

Annually - Continued outreach, compliance assistance and training: 600 hours

## Fiscal Estimate Worksheet - 2003 Session

Detailed Estimate of Annual Fiscal Effect

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> 03-2597/1		<b>Introduction Number</b> AB-380	
<b>Subject</b>			
Applicability of rules concerning storage of bulk fertilizer and pesticide			
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>			
<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		\$87,300	
(FTE Position Changes)		(2.0 FTE)	
State Operations - Other Costs		33,400	
Local Assistance			
Aids to Individuals or Organizations			
<b>TOTAL State Costs by Category</b>		<b>\$120,700</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>			
GPR			
FED			
PRO/PRS			
SEG/SEG-S		120,700	
<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>			
		State	Local
NET CHANGE IN COSTS		\$120,700	\$
NET CHANGE IN REVENUE		\$	\$
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	<b>Date</b>
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