

Fiscal Estimate Narratives

DNR 3/1/2004

LRB Number 03-4298/1	Introduction Number AB-915	Estimate Type Original
Subject		
Prohibit the disposal in solid waste disposal facilities of dredged material that contains PCBs		

Assumptions Used in Arriving at Fiscal Estimate

Bill Summary:

The bill eliminates the DNR's authority to enter into indemnification agreements with municipalities that accept dredged materials from the Great Lakes basin and are contaminated with polychlorinated biphenyls (PCBs). The bill also prohibits the operator of a solid waste disposal facility from accepting dredged materials for disposal if the dredged materials contain PCBs. This bill also removes the language created in the biennial budget 2003 Wisconsin Act 33, which exempts dredging projects from paying the \$3 per ton recycling fee if the project has over 200,000 cubic yards contaminated with PCBs.

This bill would impact the current dredging plan for the Fox River and any future dredging that may contain contamination from PCBs.

Fiscal Impact:

According to the original proposed remedial action plan for the Lower Fox and Green Bay (prepared by the DNR and USEPA in October, 2001), for each operative unit, a series of alternatives were proposed. These alternatives included:

- No Action
- Monitored Natural Recovery
- Dredge with off-site disposal
- Dredge with a Confined Disposal Facility
- Dredge and High Temperature Desorption
- In Situ Capping

The range of costs associated with these alternatives for all of the operative units is \$36 million for the No Action alternatives to \$3.5 billion for the most expensive alternative as it would apply to each unit.

The current plan for the Fox River clean up calls for placing the contaminated sediment in landfills. According to the original proposed remedial action plan for the Lower Fox and Green Bay, the cost for dredging with off-site disposal was recorded for four of the five operative units as \$268 million total. The amounts are broken down below:

- Operative Unit 1 - Little Lake Butte des Morts - \$57.6 million
- Operative Unit 2 - Appleton to Little Rapids - \$9.9 million
- Operative Unit 3 - Little Rapids to De Pere - \$30.9 million
- Operative Unit 4 - De Pere to Green Bay - \$169.6 million

For Operative Unit 5 - All of Green Bay - the proposed alternative was to monitor the natural recovery of the area at a cost of \$39.6 million

The proposed plan calls for a total of \$307 million for all five units, assuming four of the five units utilize landfilling.

This bill would require the use of an alternative other than landfilling the contaminated sediment. The total fiscal effect will depend on the chosen alternative at each operative unit. Since Operative Unit 5 does not call for landfilling this will not be impacted by the bill. The costs for alternatives related to Operative Units 1-4 will range from \$18 million for No Action to \$1.1 billion for for the most expensive alternative as it would apply to each unit.

There would be no fiscal effect related to removing the language for exemption from the recycling fee

because the sediments need to be landfilled in order to pay the existing fee and this bill removes the ability to landfill PCB-contaminated sediment.

Long-Range Fiscal Implications

It is assumed that the total tons to be removed is approximately 5 million tons. Tonnage fees other than the recycling tipping fee amount to \$.81 per ton. The Department may see a loss of approximately \$4,000,000 due to the dredge material not being landfilled.

Fiscal Estimate Worksheet - 2003 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes		\$	
(FTE Position Changes)			
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category		\$	\$
B. State Costs by Source of Funds			
GPR			
FED			
PRO/PRS			
SEG/SEG-S			
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		\$	\$
NET CHANGE IN REVENUE		\$	\$
Agency/Prepared By		Authorized Signature	Date
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