

# 05hr\_SC-NRT\_CRule\_04-102\_pt01



(FORM UPDATED: 08/11/2010)

## WISCONSIN STATE LEGISLATURE ... PUBLIC HEARING - COMMITTEE RECORDS

### 2005-06

(session year)

### Senate

(Assembly, Senate or Joint)

## Committee on Natural Resources and Transportation...

### COMMITTEE NOTICES ...

- Committee Reports ... **CR**
- Executive Sessions ... **ES**
- Public Hearings ... **PH**

### INFORMATION COLLECTED BY COMMITTEE FOR AND AGAINST PROPOSAL

- Appointments ... **Appt** (w/Record of Comm. Proceedings)
- Clearinghouse Rules ... **CRule** (w/Record of Comm. Proceedings)
- Hearing Records ... bills and resolutions (w/Record of Comm. Proceedings)  
(**ab** = Assembly Bill)                      (**ar** = Assembly Resolution)                      (**ajr** = Assembly Joint Resolution)  
(**sb** = Senate Bill)                              (**sr** = Senate Resolution)                              (**sjr** = Senate Joint Resolution)
- Miscellaneous ... **Misc**

\* Contents organized for archiving by: Stefanie Rose (LRB) (June 2012)

**Senate**

**Record of Committee Proceedings**

**Committee on Natural Resources and Transportation**

**Clearinghouse Rule 04-102**

Relating to asbestos permit exemption fees and inspection fees and a program for recovering the exact costs of laboratory fees for sample analysis for the asbestos program.

Submitted by Department of Natural Resources.

March 10, 2005      Referred to Committee on Natural Resources and Transportation.

April 7, 2005      **PUBLIC HEARING HELD**

Present:    (4)    Senators Kedzie, Kapanke, Wirch and Breske.  
Absent:    (1)    Senator Stepp.

Appearances For

- None.

Appearances Against

- None.

Appearances for Information Only

- Patrick Kirsop — WI Department of Natural Resources

Registrations For

- None.

Registrations Against

- None.

April 28, 2005      **NO ACTION TAKEN**

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Dan Johnson  
Committee Clerk

**Senate Natural Resources and Transportation Committee  
Public Hearing and Exec Session  
330 SW, State Capitol  
April 7, 2005 10:00**

**Agenda**

- 1. Call of the Role**
- 2. Agenda**

**Clearinghouse Rule 04-102** Relating to asbestos permit exemption fees and inspection fees and a program for recovering the exact costs of laboratory fees for sample analysis for the asbestos program.

**ANNOUNCEMENTS**

You may speak before the committee or simply register your vote on the hearing slips. Be sure to fill out the slips and hand it to the Page.

Following this public hearing, we will be moving into Executive Session on a bill and a few Gubernatorial Appointments.

**Brief Summary of Clearinghouse Rule 04-102**

The DNR has the authority to increase fees for asbestos demolition and renovation projects. This rule makes several increases. The rule also creates the ability for the Department to charge the costs incurred for laboratory analysis on regulated projects to the regulated parties.

**Asbestos program budget for the 2004 Fiscal Year**

FTE's	\$75,100
LTE's	\$15,100
Fringe Benefits	\$30,600
Supplies and Services; County Contracts	\$130,754
Other	\$104,346
	<b>Total \$355,900</b>

### **Suggested Fee Schedule**

Demolition with less than 160 square feet, or 260 linear feet of Regulated Asbestos Containing Material (RACM) would increase to **\$75**.

Demolition or Renovation with greater than 160 square feet, or 260 linear feet of RACM, but less than 1000 feet combined would increase to **\$225**.

Demolition or Renovation with equal to or greater than 1000 total feet, but less than 5000 total feet of RACM would increase to **\$400**.

Demolition or Renovation with equal to or greater than 5000 total feet of RACM would be **\$750**.

### **Current Fees vs. New Fees**

\$50 increased to \$75

\$150 increased to \$225

\$335 increased to \$400

New Category \$750

### **Revenue from the Increase**

• State statute allows the DNR asbestos program to collect a total of or near \$415,000 per fiscal year

• The goal of the Notification increase is to collect this amount (an increase of \$185,000).

### **Projection of Increased Revenue**

• With these increases, a total of approximately \$417,500 would be generated.

• This amount would meet the current goals and support a system with 2 FTE's and 1.5 LTE's (three half-time positions).

## **EXECUTIVE SESSION NOTES**

### **Senate Bill 51**

**SA 1 introduced by the author. A motion for adoption of SA 1 to SB 51 is need. A brief explanation of the amendment was sent to your office on Tuesday of this week.**

- MOTION TO ADOPT SA 1 TO SB 51**
- SECOND**
- DISCUSSION**
- ROLL CALL**

- MOTION FOR PASSAGE OF SB 51 AS AMENDED**
- SECOND**
- DISCUSSION**
- ROLL CALL**

### **Executive Appointments**

**The four appointments before the committee today have either appeared before a previous Senate Natural Resources committee or been confirmed or are held over from the 2003-05 session.**

**Either way, these four individuals have received approval by the Senate or Senate Committee. The Chair felt that calling them down to Madison (some who would have to travel several hours) for a very brief appearance was too much of an inconvenience.**

- MOTION TO RECOMMEND CONFIRMATION**
- SECOND**
- DISCUSSION**
- ROLL CALL**

**Clearinghouse Rule 04-102**

**Adoption of Revisions to Chapter NR 410, Wis. Adm. Code raising asbestos notification fees and revision of rule language**

**Asbestos Program Background Information**

Asbestos causes three major respiratory diseases: (1) Asbestosis – Scarring of lung tissue, (2) Lung Cancer – tumors in the respiratory system and (3) Mesothelioma – tumor of the pleural lining that surrounds the lungs. All of the diseases develop long after the first exposure. The average latency period for these diseases ranges from 15 to 30 years. Asbestos disease can theoretically be caused by very little exposure to asbestos fibers, and the likelihood of being affected increases as exposure increases.

Federal asbestos regulation was first created in 1973 to protect the public from exposure to airborne asbestos emissions. The asbestos emissions regulations were incorporated into state requirements and effective in July 1975. The original rule controlled asbestos air emissions from demolition abatement work, required abatement work notification and also regulated waste disposal sites for asbestos, mining, manufacturing or remanufacturing operations. Renovation abatement work was included in our regulations in 1984. The current state rule requirements, effective in 1992, are the same as the current federal National Emission Standards for Hazardous Air Pollutants (NESHAP) from the 1990 Clean Air Act Amendments. From the time this rule was created, the Wisconsin DNR has worked hard to protect its citizens from the deadly affects of asbestos.

**Proposed Rule Changes**

The Department of Natural Resource's Board approved Asbestos Fee rule revisions on February 22. The changes to Chapter NR 410 raise asbestos notification fees and also revise rule language so that different administrative code chapters are consistent.

- The 2003 Wisconsin Act 33 set guidelines for increasing current asbestos inspection fees. Current Asbestos Program revenues do not support the reduced number of staff, and changes must be made to reach the previous level of asbestos work done in Wisconsin through DNR including responding to citizen complaints. Fees also support contract city and county staffs that conduct inspections. The asbestos program foresees the need for funds to support database upgrades and expand current services.
- The proposed rule also revises the current language of s. NR 410.05 to be consistent with ch. NR 447.
- The original rule revision included that the Department charge the regulated community for the cost of laboratory sample analysis. The Governor's office made this suggestion in the original Budget Act.
  - The Department has chosen to remove the sample analysis fee portion of the proposed rule revision. The reasons are due to overwhelming public comment, successful efforts to reduce these costs internally, and a cost-benefit analysis that indicated limited returns.

**Fee Increases**

- Asbestos fees were first collected in 1995. Fees have only been raised once since then. In September 2001, the Natural Resources Board approved a \$10 fee increase. This increase was part of the 1999 Wisconsin Act 9.
- Fees are based on the amount of asbestos that will be abated. Fee increases are larger for a larger quantity of asbestos abated.
- The fee increases proposed would create the following changes: the current \$50 fee would increase to \$75; the \$150 dollar fee would increase to \$225; the \$335 fee would increase to \$400; and a new level would be added for extra large projects with a fee of \$750.

**Public Involvement**

- The public was involved throughout the process. On June 17<sup>th</sup>, 2004 we held a Regulated Community Meeting where the original rule concepts were presented and discussed.

April 7, 2005

**Clearinghouse Rule 04-102**

**Adoption of Revisions to Chapter NR 410, Wis. Adm. Code raising asbestos notification fees and revision of rule language**

- 314 e-mails were sent out utilizing a list from DHFS. 24 attended the meeting, including asbestos abatement companies, environmental consultants and building owners.
- Four public hearings were held in three cities.
- Rule information was posted on the DNR's web site and also the State of Wisconsin Administrative Rules System web site.
- More detailed comments were sought through an e-mail survey sent to the same 314 addresses on October 12<sup>th</sup>, 2004 and presented the rule and survey questions at the annual DNR Asbestos Conference in October. The Conference had approximately 115 participants.

**Comments Received**

- Most people commented that the notification fee increases were fair and just. No one commented that they did not support the notification fee increases.
- Many people said that they realized that the DNR had not raised these fees significantly in a long time and understood that the program needs higher fees to accomplish its goals and create a "level playing field". This support was due to the effort of the Asbestos Program to educate and enforce the fundamentals of ch. NR 447 throughout the industry and with building owners.

Do you have any questions regarding the proposed rule?

Thank you time and the opportunity to discuss the asbestos program with you.