

Fiscal Estimate - 2011 Session

Original Updated Corrected Supplemental

LRB Number 11-2186/1		Introduction Number SB-133	
Description Procedures for applications and hearings relating to permits and contracts for structures, deposits, and other activities in or near navigable waters			
Fiscal Effect			
State:			
<input type="checkbox"/> No State Fiscal Effect			
<input type="checkbox"/> Indeterminate			
<input type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Increase Existing Revenues	
<input type="checkbox"/> Decrease Existing Appropriations		<input type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Create New Appropriations		<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		3. <input type="checkbox"/> Increase Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
2. <input type="checkbox"/> Decrease Costs		4. <input type="checkbox"/> Decrease Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		<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		Affected Ch. 20 Appropriations	
<input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input checked="" type="checkbox"/> PRO <input type="checkbox"/> PRS <input checked="" type="checkbox"/> SEG <input type="checkbox"/> SEGS		20.370 (4) (ma); (4)(bi); (4)(aq)	
Agency/Prepared By	Authorized Signature	Date	
DNR/ Joe Polasek (608) 266-2794	Joe Polasek (608) 266-2794	6/30/2011	

Fiscal Estimate Narratives

DNR 6/30/2011

LRB Number	11-2186/1	Introduction Number	SB-133	Estimate Type	Original
Description Procedures for applications and hearings relating to permits and contracts for structures, deposits, and other activities in or near navigable waters					

Assumptions Used in Arriving at Fiscal Estimate

The bill, as amended, makes several changes to the process by which the Department issues permits to place a structure or deposit in, or withdraw water from, a navigable water or to conduct a certain activity in or near a navigable water.

As amended, the bill shortens some of the time limits under the public hearing and comment process for these types of permits. The 30-day time period for an interested party to request a public hearing or for DNR to make a decision on its own to hold a public hearing is shortened from 30 days to 15 days and the 30-day time period for the rendering a decision is shortened from 30 days to 20 days following the conclusion of the public comment period. If DNR fails to comply with the time limits relating to the public hearing and comment process, the application for the permit or contract shall be considered to have been approved; however, the Department may impose terms and conditions on the approval, provided that they are consistent with the applicant's basic proposal. In addition, in an administrative hearing related to this type of permitting, the petitioner has the burden of proof.

State Fiscal Effect

1. One-Time Implementation costs – The bill is expected to result in increased workload related to updating program procedures and databases, revising application materials, training staff, and conducting customer outreach. Implementation is estimated to require estimated one-time expenditures of \$55,500 and an estimated 1,300 hours of staff time. The detailed one-time costs are as follows:

- a. 200 hours for updating internal procedures and application materials, conducting staff training and external outreach, by Policy Coordinator @ \$44.58/hr. salary & fringe = \$ 8,900
- b. 160 hours for updating internal procedures and conducting staff training by Database Manager @ \$44.58/hr. salary & fringe = \$ 7,100
- c. 40 hours for review, staff training and outreach, by Section Chief @ \$57.95/hr. salary & fringe = \$ 2,300
- d. 44 hours for review and staff training by Attorney @ \$74.29/hr. salary & fringe = \$ 3,300
- e. 40 hours for updating program database by Database Contractor @ \$68.00/hr. = \$ 2,700
- f. 24 hours for attending staff training by 35 field Water Regulation and Zoning Specialists @ \$37.14/hr. salary & fringe = \$31,200
- g. Total one-time costs: \$55,500

2. Presumptive Permitting – The bill establishes that all individual permit applications where DNR does not meet deadlines are presumptively approved. At full staffing levels, it is assumed that the Department will meet all new or modified process deadlines.

The Department does anticipate some increase in permit appeals due to citizen, neighbor or stakeholder concerns about insufficient assessment of impacts or insufficient permit conditions due to shorter permit timelines. In the last 2 years DNR has received 7 permit appeals annually. It is difficult to predict how many more contested case hearing requests will be triggered by the bill; however, a typical hearing currently costs about \$11,200 based on the following assumptions:

- a. 80 hours of case preparation, presentation and briefs by Attorney @ \$74.29/hr. salary & fringe = \$5,900
- b. 8 hours of consultation and case preparation by Section Chief @ \$57.95/hr. salary & fringe = \$500
- c. 40 hours of consultation and case preparation by Policy Coordinator @ \$44.58/hr. salary & fringe = \$1,800
- d. 80 hours of case preparation and hearing testimony by field Water Regulation and Zoning Specialist @ \$37.14/hr. salary & fringe = \$3,000
- e. Total estimated cost per contested case hearing: \$11,200

Private Sector Impact

As a result of the bill, the Department anticipates that it will develop a web-based public noticing system for permits, which will result in minor cost savings to permit applicants who will no longer need to pay for the cost of publishing a notice in a local newspaper.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2011 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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Description Procedures for applications and hearings relating to permits and contracts for structures, deposits, and other activities in or near navigable waters			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): \$55,500 for one-time implementation costs			
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			
	<u>State</u>		<u>Local</u>
NET CHANGE IN COSTS	\$		\$
NET CHANGE IN REVENUE	\$		\$
Agency/Prepared By			
DNR/ Joe Polasek (608) 266-2794		Authorized Signature	
		Joe Polasek (608) 266-2794	
Date			6/30/2011