

2015 DRAFTING REQUEST

Bill

Received: 9/16/2015 Received By: mpfotenh
For: Robert Cowles (608) 266-0484 Same as LRB:
May Contact: By/Representing: Toni
Subject: Environment - recycling Drafter: mpfotenh
Addl. Drafters:
Extra Copies:

Submit via email: YES
Requester's email: Sen.Cowles@legis.wisconsin.gov
Carbon copy (CC) to: mary.pfotenhauer@legis.wisconsin.gov
zachary.wyatt@legis.wisconsin.gov
robin.kite@legis.wisconsin.gov

Pre Topic:

No specific pre topic given

Topic:

Recycling grants to local governments

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	mpfotenh 9/17/2015		_____			
/P1		kfollett 9/17/2015	_____	mbarman 9/17/2015		State S&L
/1		wjackson	_____	mbarman	lparisi	State

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
		9/30/2015	_____	9/30/2015	9/30/2015	S&L

FE Sent For:

*at
intro*

<END>

Pfotenhauer, Mary

From: Kite, Robin
Sent: Wednesday, September 16, 2015 11:28 AM
To: Pfotenhauer, Mary
Subject: FW: August 25 memo

Toni called me about this request because she wasn't sure who to send it to. I told her that either you or Zach would handle this draft. Do you want to take it or do you want me to give it to Zach?

Robin

From: Herkert, Toni
Sent: Wednesday, September 16, 2015 10:57 AM
To: Kite, Robin <Robin.Kite@legis.wisconsin.gov>
Subject: FW: August 25 memo

Robin,

Here is the fiscal bureau memo on the Environmental Management Account. If you look at the table on page 3 at the end of 2015-2016 the closing available balance is \$2,318,600. Rob wants to take \$2.3 million and use it to partially restore the recycling grants to local governments that were reduced by \$4.0 million in the first year of the biennium. The reduction in Act 55 was one-time only so the restoration of funding would only be for 2015-2016 only. Local governments will submit grants to the DNR by October 1, 2015 for the 2015-2016 fiscal year and will be paid out as statutorily directed by June 1st 2016.

If \$2.0 million is restored for recycling grants in 2015-16, the estimated June 30, 2017, balance of the account would be \$1.8 million, and the restoration of funding would not affect the structural balance in 2016-17.

Let me know if you have any questions. Thanks again for all your help. I feel like I pester you too much 😊
Thanks,
Toni

Toni R. Herkert
Policy Analyst
Office of State Senator Rob Cowles
2nd Senate District
(608) 266-0484 or Toll-Free: 800-334-1465
State Capitol
PO Box 7882
Madison, WI 53707

9/16 per Toni:
use \$2.3 million.

-MCP

From: Bonderud, Kendra

Sent: Wednesday, September 09, 2015 12:53 PM
To: Herkert, Toni <Toni.Herkert@legis.wisconsin.gov>
Cc: Hinz, Daryl <Daryl.Hinz@legis.wisconsin.gov>
Subject: August 25 memo

Here is the August 25 memo to Senator Cowles, related to the environmental management account.



2015_08_25
Cowles KB.pdf

Kendra Bonderud
Legislative Fiscal Analyst
Wisconsin Legislative Fiscal Bureau
(608) 266-3847
Kendra.Bonderud@legis.wisconsin.gov



Legislative Fiscal Bureau

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Email: fiscal.bureau@legis.wisconsin.gov • Website: <http://legis.wisconsin.gov/lfb>

August 25, 2015

TO: Senator Robert Cowles
Room 118 South, State Capitol

FROM: Kendra Bonderud, Fiscal Analyst

SUBJECT: Environmental Management Account Condition

At your request, this memorandum describes the estimated balance and structural condition of the environmental management account of the segregated environmental fund under 2015 Act 55.

The segregated environmental management account provides funding for: (a) recycling financial assistance to local governments; (b) Department of Natural Resources (DNR) administration of contaminated land, brownfields cleanup, and recycling programs, including staff in remediation and redevelopment, solid waste management, air management, groundwater management, and central administrative programs; (c) brownfields and well compensation grant programs; (d) debt service costs for general obligation bonds issued for state-funded cleanup of contaminated land and sediment, a former point source water pollution abatement grant program and for DNR administrative facilities; (e) state-funded cleanup of contaminated properties where there is no responsible party able or willing to pay for the cleanup; (f) the UW System Bioenergy Initiative and certain environmental and recycling programs in the UW System and Corrections through 2014-15; (g) environmental programs in the Department of Agriculture, Trade, and Consumer Protection (DATCP), Health Services, and Military Affairs; and (h) remediation of specific sites using moneys received under court-approved settlement agreements or orders (primarily for Fox River cleanup). In the 2013-15 biennium, approximately 88% of revenue to the environmental management account was anticipated to be received from solid waste tipping fees totaling \$9.64 per ton (out of state tipping fees totaling \$12.997 per ton). The remaining 12% of revenues include a transfer from the segregated petroleum inspection fund, several license and other environmental fees, and revenues received for designated purposes.

Under 2015 Act 55, no changes were made in revenues to the environmental management account. Major changes to expenditures from the account included: (a) reducing DNR recycling grants to local governments by \$4 million, from \$20 million to \$16 million, on a one-time basis in 2015-16; (b) shifting \$4,900,700 in GPR debt service to SEG from the account; (c) eliminating

funding from the account for UW System programs, including the UW Bioenergy Initiative, solid waste research and experiments, UW Extension recycling education, and environmental education; (d) eliminating funding from the account for Department of Corrections computer recycling; (e) providing \$300,000 annually for environmental enforcement; (f) deleting \$76,000 annually from the well compensation grant appropriation; and (g) transferring \$320,000 in 2015-16 from the balance of the well compensation grant appropriation to the environmental management account balance.

Under 2015 Act 55, it is anticipated the environmental management account will have a June 30, 2017, balance of approximately \$3.8 million. This is shown in the following Table. In 2016-17, revenues are expected to total approximately \$55.0 million, of which approximately 90% will be received from solid waste tipping fees, and authorized expenditures will total approximately \$53.6 million. The account is not expected to have a structural imbalance in the next biennium. That is, anticipated revenues in 2016-17 (the base year for consideration of the 2017-19 biennial budget) are expected to exceed authorized expenditures by approximately \$1.4 million, or 2.5%.

It should be noted that revenues and expenditures shown in the Table reflect estimates made during spring, 2015, biennial budget deliberations. Actual 2014-15 revenue and expenditure data will be available in October, 2015, and may result in some adjustment to the anticipated June 30, 2017, balance at that time.

TABLE
Environmental Management Account Condition Under 2015 Act 55

	2013-14 <u>Actual</u>	2014-15 <u>Estimated</u>	2015-16 <u>Act 55</u>	2016-17 <u>Act 55</u>	2016-17 <u>Staff</u>
Opening Balance -- July 1	\$18,750,200	\$12,872,500	\$10,732,200	\$10,289,800	
Revenues					
Solid Waste Tipping Fees	\$44,065,600	\$50,424,600**	\$48,016,500	\$48,450,900	
Transfer to Nonpoint Account	-650,000	-1,300,000	0	0	
Transfer from Petroleum Inspection Fund	1,704,800	1,704,800	1,704,800	1,704,800	
Other Fees	4,812,300	3,887,500	3,877,500	3,877,500	
Site Specific Remediation	<u>1,164,500</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	
Total Revenue	\$51,097,200	\$55,716,900	\$54,598,800	\$55,033,200	
Total Revenue Available	\$69,847,400	\$68,589,400	\$65,331,000	\$65,323,000	
Expenditures					
DNR Recycling Grants to Local Governments	\$20,000,000	\$20,000,000	\$16,000,000	\$20,000,000	
DNR Administration	13,538,300	14,010,700	14,609,300	14,702,100	105.29
DNR Brownfields or Well Grants	218,600	276,000	200,000	200,000	
DNR State-funded Cleanup	1,511,900	2,292,700	2,292,700	2,292,700	
DNR Site Specific Remediation	1,108,600	1,000,000	1,000,000	1,000,000	
Debt Service for General Obligation Bonds	13,498,300	13,602,700	18,604,300	13,370,100	
UW System Bioenergy Initiative	4,176,100	4,069,100	0	0	0.00
WEDC Brownfields Grants	1,000,000	1,000,000	1,000,000	1,000,000	
Other Agencies *	1,923,100	1,991,900	1,334,900	1,075,300	2.00
Expenditure of prior year encumbrances	<u> </u>	<u>114,100</u>	<u> </u>	<u> </u>	<u> </u>
Expenditures	\$56,974,900	\$58,357,200	\$55,041,200	\$53,640,200	107.29
Reserves/Lapses	<u> </u>	<u>-500,000</u>	<u> </u>	<u> </u>	<u> </u>
Total Expenditures	\$56,974,900	\$57,857,200	\$55,041,200	\$53,640,200	
Cash Balance					
	\$12,872,500	\$10,732,200	\$10,289,800	\$11,682,800	
Encumbrances, Continuing Balances ***	-\$8,756,300	-\$8,592,200	-\$7,971,200	-\$7,866,200	
Closing Available Balance -- June 30	\$4,116,200	\$2,140,000	\$2,318,600	\$3,816,600	

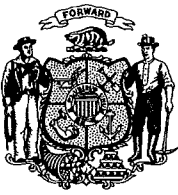
* Other agencies include Department of Agriculture, Trade and Consumer Protection clean sweep grants, Department of Corrections computer recycling, Department of Health Services groundwater and air quality standards, Department of Military Affairs emergency response training, UW Extension recycling education, UW System solid waste research and experiments, and UW System environmental education.

** Includes approximately \$2.4 million of environmental solid waste tipping fees assessed in 2013-14 for calendar year 2013 and expected to be collected in 2014-15.

*** In 2013-14, includes \$4.2 million for DNR state-funded cleanup, \$2.6 million for DNR site specific remediation, \$0.7 million for DATCP clean sweep grants, \$0.6 million for DNR well compensation, \$0.3 million for UW environmental education, \$0.3 million for electronics recycling, and \$0.1 million for other programs.

I hope this information is helpful. Please contact me if you have further questions.

KB/sas



Due today/tomorrow

if

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

Gen

1 AN ACT ...; relating to: recycling grants for local governments and making an
2 appropriation.

\$2,300,000 \$4,000,000

Analysis by the Legislative Reference Bureau

This bill increases the appropriation to the Department of Natural Resources for providing grants to responsible units of local government for certain eligible recycling expenses by \$2.3 million for fiscal year 2015-16. The budget bill, 2015 Act 55, decreased this appropriation by \$4 million for fiscal year 2015-16 as compared to previous fiscal years.

Wisconsin

For further information see the **state and local** fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

3 SECTION 1. Fiscal changes.

4 (1) In the schedule under section 20.005 (3) of the statutes for the appropriation
5 to the department of natural resources under section 20.370 (6) (bu) of the statutes,
6 as affected by the acts of 2015, the dollar amount for fiscal year 2015-16 is increased

SECTION 1

1 by \$2,300,000 for providing grants to responsible units under section 287.23[✓] of the
2 statutes.

3 (END)

Parisi, Lori

From: Sen.Cowles
Sent: Wednesday, September 30, 2015 10:24 AM
To: LRB.Legal; Pfothenauer, Mary
Subject: RE: Draft review: LRB -3246/P1

Hi Mary,

Thanks for getting the recycling draft out and over to us so quickly! Can we change this P draft into LRB 3246/1 so that I can jacket for the Senate?

Thanks in advance,

Toni

Toni R. Herkert
Policy Analyst
Office of State Senator Rob Cowles
2nd Senate District
(608) 266-0484 or Toll-Free: 800-334-1465
State Capitol
PO Box 7882
Madison, WI 53707

From: LRB.Legal
Sent: Thursday, September 17, 2015 3:02 PM
To: Sen.Cowles <Sen.Cowles@legis.wisconsin.gov>
Subject: Draft review: LRB -3246/P1

Following is the PDF version of draft LRB -3246/P1.



In 9/80
State of Wisconsin
2015 - 2016 LEGISLATURE

LRB-3246/PI → 1
MCP:kjf

Today

no changes

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

Please jacket
for Senate.

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2 appropriation.

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2 statutes.

3 (END)

Barman, Mike

From: LRB.Legal
To: Sen.Cowles
Subject: Draft review: LRB -3246/1
Attachments: 15-3246/1

State of Wisconsin - Legislative Reference Bureau
One East Main Street - Suite 200 - Madison

The attached draft was prepared at your request. Please review it carefully to ensure that it satisfies your intent. If you have any questions concerning the draft or would like to have it redrafted, please contact Mary Pfothenhauer, Legislative Attorney, at (608) 266-6778, at mary.pfothenhauer@legis.wisconsin.gov, or at One East Main Street, Suite 200.

We will jacket this draft for introduction in the Senate. (per MCP)

If the last paragraph of the analysis states that a fiscal estimate will be prepared, the LRB will submit a request to DOA when the draft is introduced. You may obtain a fiscal estimate on the draft prior to introduction by contacting our program assistants at LRB.Legal@legis.wisconsin.gov or at (608) 266-3561. If you requested a fiscal estimate on an earlier version of this draft and would like to obtain a fiscal estimate on the current version before it is introduced, you will need to request a revised fiscal estimate from our program assistants.

Please call our program assistants at (608) 266-3561 if you have any questions regarding this email.