

### Fiscal Estimate - 2017 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> <b>17-4115/1</b>	<b>Introduction Number</b> <b>SB-600</b>	
<b>Description</b> Permitting and mitigation requirements for nonfederal and artificial wetlands and state assumption of the federal regulatory program governing the discharge of dredged or fill material into navigable waters		
<b>Fiscal Effect</b>		
<b>State:</b> <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 checked="" 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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Decrease Costs		
<b>Local:</b> <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		
<b>Fund Sources Affected</b> <b>Affected Ch. 20 Appropriations</b> <input type="checkbox"/> GPR <input type="checkbox"/> FED <input checked="" type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS		
<b>Agency/Prepared By</b> DNR/ Joe Polasek (608) 266-2794	<b>Authorized Signature</b> Joe Polasek (608) 266-2794	<b>Date</b> 1/8/2018

## Fiscal Estimate Narratives

DNR 1/8/2018

LRB Number	17-4115/1	Introduction Number	SB-600	Estimate Type	Original
<b>Description</b> Permitting and mitigation requirements for nonfederal and artificial wetlands and state assumption of the federal regulatory program governing the discharge of dredged or fill material into navigable waters					

### Assumptions Used in Arriving at Fiscal Estimate

The bill exempts nonfederal and artificial wetlands from certain DNR wetland permitting requirements and, if the EPA delegates to the state the authority to administer its own permit program for the discharge of dredge or fill material into navigable waters, authorizes DNR to assume that authority.

In addition, the bill requires DNR to expend all moneys received prior to the effective date of the bill for the in lieu fee subprogram no later than June 30, 2019, and, effective January 7, 2019, to expend moneys received for the in lieu fee subprogram within 24 months of being credited the moneys. No later than the third month of each legislative session, the DNR would also be required to provide a report to the governor and legislature explaining how the department expended the moneys and, if necessary, why the department failed to expend all of the moneys.

### Fiscal Effect

#### A. Revenues

In order to estimate the fee loss from wetland permits, it is assumed that 20% of those permits would no longer be issued because the projects would take place in non-federal/isolated wetlands. This assumption is based on 1990 research that an estimated 20% of all wetlands in Wisconsin are considered non-federal/isolated and therefore would be exempt under this bill.

Therefore, from October 1, 2012 – October 20, 2017 there were an estimated 172 IP permits for non-federal wetland impacts issued and 758 GP permits for non-federal wetland impacts issued.

Currently, fees for IPs are \$800/activity and \$500/activity for most GPs. In addition, state and federally funded projects are exempt from permit fees. Fee exempt project types include municipal roads and habitat enhancement and/or restoration activities. Based on available data, the exemption for non-federal wetlands will result in an estimated decrease in individual permit (IP) fees of \$34,400/year and decrease of general permit (GP) fees of \$31,700/year for a net estimated decrease in fees of \$66,100. Office of Energy GPs will also be impacted, resulting in an estimated reduction in fee revenues of \$2,200.

Total revenue loss is estimated at \$68,300.

#### B. Costs

One-time costs to update internal procedures, promulgate rules, update permits, conduct outreach and staff training, and other implementation tasks are estimated at \$54,000.

Annual, ongoing costs are estimated at \$14,300 for staff time needed to establish separate tracking for mitigation associated with wetland fill for non-federal wetlands.

### Long-Range Fiscal Implications

## Fiscal Estimate Worksheet - 2017 Session

Detailed Estimate of Annual Fiscal Effect

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<b>Description</b> Permitting and mitigation requirements for nonfederal and artificial wetlands and state assumption of the federal regulatory program governing the discharge of dredged or fill material into navigable waters			
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>  Approximately 1,200 hrs. of staff time and \$54,000 for staff training, updating internal procedures, rule promulgation, database updates, etc.			
<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	\$14,300	\$
	(FTE Position Changes)		
	State Operations - Other Costs		
	Local Assistance		
	Aids to Individuals or Organizations		
	<b>TOTAL State Costs by Category</b>	<b>\$14,300</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>			
	GPR		
	FED		
	PRO/PRS	14,300	
	SEG/SEG-S		
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, ets.)</b>			
		Increased Rev	Decreased Rev
	GPR Taxes	\$	\$
	GPR Earned		
	FED		
	PRO/PRS		-68,300
	SEG/SEG-S		
	<b>TOTAL State Revenues</b>	<b>\$</b>	<b>\$-68,300</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>			
		<u>State</u>	<u>Local</u>
	NET CHANGE IN COSTS	\$14,300	\$
	NET CHANGE IN REVENUE	\$-68,300	\$
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	<b>Date</b>
DNR/ Joe Polasek (608) 266-2794		Joe Polasek (608) 266-2794	1/8/2018