

Fiscal Estimate - 2019 Session

Original
 Updated
 Corrected
 Supplemental

| | |
|-----------------------------|------------------------------------|
| LRB Number 19-5084/1 | Introduction Number AB-0713 |
|-----------------------------|------------------------------------|

Description
 exempting certain waste-to-energy facilities from tipping fees

Fiscal Effect

State:

No State Fiscal Effect
 Indeterminate
 Increase Existing Appropriations
 Increase Existing Revenues
 Increase Costs - May be possible to absorb within agency's budget
 Decrease Existing Appropriations
 Decrease Existing Revenues
 Yes No
 Create New Appropriations
 Decrease Costs

Local:

No Local Government Costs
 Indeterminate

| | | |
|--|--|---|
| 1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 3. <input type="checkbox"/> Increase Revenue <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 <u>0</u> <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts |
| 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | |

| | |
|--|---------------------------------------|
| Fund Sources Affected | Affected Ch. 20 Appropriations |
| <input 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 | |

| | | |
|----------------------------------|-----------------------------|-------------|
| Agency/Prepared By | Authorized Signature | Date |
| DNR/ Paul Neumann (608) 266-0818 | Paul Neumann (608) 266-0818 | 1/10/2020 |

Fiscal Estimate Narratives

DNR 1/10/2020

| | | | | | |
|--|-----------|---------------------|---------|---------------|----------|
| LRB Number | 19-5084/1 | Introduction Number | AB-0713 | Estimate Type | Original |
| Description exempting certain waste-to-energy facilities from tipping fees | | | | | |

Assumptions Used in Arriving at Fiscal Estimate

The bill creates a tipping fee exemption for existing facilities that incinerate solid waste for the purpose of energy recovery, commonly called waste-to-energy facilities. The exemption does not apply to ash residue generated at these facilities. The bill also makes a terminology change, referring to facilities exempt from the tipping fee as "qualified facilities" instead of "qualified materials recovery facilities."

State Fiscal Effect

A. Assumptions

The bill would impact one facility in the state, the La Crosse Excel Energy Facility. The Barron County Waste to Energy facility would not qualify at this time as it does not possess a solid waste processing facility license.

B. Costs

The bill would have minimal impact upon expenditures other than the updating of two forms and one guidance document.

C. Revenues

The La Crosse French Island waste-to-energy facility reported that the average monthly percent of residue that would be eligible for the exemption was 24.6% in 2018 (ranging monthly from 18.9% to 35.2%). In tonnage, this translates to 17,619.6 tons out of the 71,698.6 tons processed.

The bill would exempt the La Crosse French Island WTE facility from from the following tipping fees: Groundwater fee (\$0.10/ton); well compensation fee (\$0.04/ton); siting board fee (\$0.007/ton); recycling fee (\$7.00/ton); and environmental repair fee (\$5.70/ton). The combined total fee exemption would be \$12.847/ton.

Using the aforementioned tonnage data and tipping fee amounts, the Department estimates the bill would reduce annual tipping fee revenues by \$226,400 (17,619.6 tons * \$12.847).

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2019 Session

Detailed Estimate of Annual Fiscal Effect

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| | | | |
|--|-----------|--|-------------------|
| LRB Number 19-5084/1 | | Introduction Number AB-0713 | |
| Description exempting certain waste-to-energy facilities from tipping fees | | | |
| 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 | | | -200 |
| SEG/SEG-S | | | -226,200 |
| TOTAL State Revenues | \$ | | \$-226,400 |
| NET ANNUALIZED FISCAL IMPACT | | | |
| | | <u>State</u> | <u>Local</u> |
| NET CHANGE IN COSTS | | \$ | \$ |
| NET CHANGE IN REVENUE | | \$-226,400 | \$ |
| Agency/Prepared By | | Authorized Signature | Date |
| DNR/ Paul Neumann (608) 266-0818 | | Paul Neumann (608) 266-0818 | 1/10/2020 |