

Fiscal Estimate - 2019 Session

Original
 Updated
 Corrected
 Supplemental

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

Fiscal Effect

State:

<input type="checkbox"/> No State Fiscal Effect	<input type="checkbox"/> Increase Existing Revenues	<input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget
<input type="checkbox"/> Indeterminate	<input checked="" type="checkbox"/> Decrease Existing Revenues	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations		<input type="checkbox"/> Decrease Costs

Local:

<input type="checkbox"/> No Local Government Costs	5. Types of Local Government Units Affected	
<input type="checkbox"/> Indeterminate	1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory
	<input type="checkbox"/> Towns <input type="checkbox"/> Villages <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 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 DNR/ Paul Neumann (608) 266-0818	Authorized Signature Paul Neumann (608) 266-0818	Date 1/10/2020
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Fiscal Estimate Narratives

DNR 1/10/2020

LRB Number	19-5084/1	Introduction Number	AB-0713	Estimate Type	Corrected
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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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
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