

### Fiscal Estimate - 2021 Session

Original       Updated       Corrected       Supplemental

<b>LRB Number</b> 21-5138/1	<b>Introduction Number</b> AB-0682
<b>Description</b> grant related to the Verso Paper Mill in the city of Wisconsin Rapids, loan guarantee related to the Park Falls Pulp and Paper Mill in the city of Park Falls, substance abuse prevention on certain public projects, and granting rule-making authority	
<b>Fiscal Effect</b>  <b>State:</b> <input type="checkbox"/> No State Fiscal Effect <input checked="" type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs	
<b>Local:</b> <input type="checkbox"/> No Local Government Costs <input checked="" type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs      3. <input type="checkbox"/> Increase Revenue <b>5. Types of Local Government</b> <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <b>Units Affected</b> 2. <input type="checkbox"/> Decrease Costs      4. <input type="checkbox"/> Decrease Revenue <input checked="" type="checkbox"/> Towns <input checked="" type="checkbox"/> Village <input checked="" type="checkbox"/> Cities <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input checked="" type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input checked="" type="checkbox"/> School Districts <input checked="" type="checkbox"/> WTCS Districts	
<b>Fund Sources Affected</b> <b>Affected Ch. 20 Appropriations</b> <input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS    20.445 (1) (a)	
<b>Agency/Prepared By</b> DWD/ Thomas Goodwyn (608) 267-9058	<b>Authorized Signature</b> Danielle Williams (608) 266-2284
<b>Date</b> 11/5/2021	

## Fiscal Estimate Narratives

DWD 11/5/2021

LRB Number	21-5138/1	Introduction Number	AB-0682	Estimate Type	Original
<b>Description</b> grant related to the Verso Paper Mill in the city of Wisconsin Rapids, loan guarantee related to the Park Falls Pulp and Paper Mill in the city of Park Falls, substance abuse prevention on certain public projects, and granting rule-making authority					

### Assumptions Used in Arriving at Fiscal Estimate

The Department of Workforce Development (DWD) related statutory provisions of this bill expand s.103.503, which covers substance abuse prevention on public works and public utility projects. Amended or created provisions include the addition of road or bridge construction or reconstruction projects performed under contract for local government units, specific inclusion of owners of fiber optics, broadband, or cable under public utility projects, and direction to DWD to promulgate rules for implementing an employer certification process and establishing penalties. Activities include:

- 1) Establishing a process for employers that contract to perform public works, public utility works, or local transportation projects (which cost more than \$25,000) to certify annually that they have a substance abuse prevention program for their employees; these employers may certify directly with DWD or on a per-contract basis with the contracting agency;
- 2) Sending by mail, to applicable businesses, an annual notice describing the certification requirements;
- 3) Maintaining a list, available to the public, of certified employers;
- 4) Establishing and assessing penalties for repeat violations of the certificate requirements;
- 5) Establishing and assessing penalties for cases in which an accident resulted in a federally reportable injury or illness or reportable property damage when an employer was non-compliant with the certification requirements.

The bill adds "transportation project" to the 103.503 (3)(a) list of projects for which employers must have a written substance abuse program in place before they commence work. Current law, and the bill, do not specify any enforcement actions for DWD. However, the bill's rule promulgation provisions do require DWD to address first-time failure-to-comply violations, repeat violations, and circumstances when violations are associated with a federally reportable injury, illness, or property damage. DWD assumes that identifying non-compliance within these categories will require coordination with state and local governmental entities contracting for public works, public utility works, and local transportation projects, and establishing a database for documenting results for compliance and non-compliance.

The bill provides 90 days for rules promulgation to be completed, and does not provide funding or position authority for the activities assigned to DWD and specifies that no fee shall be required for certification. If enacted, the DWD Equal Rights (ER) Division would need to redirect existing staff and resources to write administrative rules and to facilitate an IT project with existing DWD staff and / or IT contractor(s) to develop and implement the employer certification and reporting process. Costs for this IT project are presently indeterminate, likely significant, and not absorbable within the current ER Division's statutory budget authority.

Local governments may need to update publications, review procurement processes, and make necessary revisions to those processes. Estimated costs for these efforts are currently indeterminate.

### Long-Range Fiscal Implications

The DWD ER Division's long range operational costs, including IT-related maintenance, annual mailings, and contracted staffing, need to be evaluated following implementation of the provisions of this bill. These long-range costs are currently indeterminate.