

Fiscal Estimate Narratives

DNR 2/11/2022

LRB Number	21-5531/1	Introduction Number	AB-0849	Estimate Type	Original
Description use of fill in commercial waterways and establishing shorelines of Great Lakes waters					

Assumptions Used in Arriving at Fiscal Estimate

The bill makes several statutory changes related to the use of fill that was placed prior to 1977 and used to create land above the ordinary high water mark of a commercial waterway. More specifically, it applies, in part, to property that 1) includes land that may have been part of the submerged bed of a Great Lakes water at the time of statehood; 2) includes portions of land that are upland, which is defined to mean land that has been above the ordinary high water mark since December 9, 1977; 3) is within a municipality; and 4) is not subject to a lake bed grant or a submerged land lease and is not landward of the statutorily established shoreline in the city of Milwaukee.

I. Assumptions

A. The overall fiscal effect of the bill is indeterminate because there is substantial uncertainty relating to the amount of projects that will be subject to this legislation given the extent of municipalities and waterways to which it applies.

B. For informational purposes, the department has developed cost estimates on a "per instance" basis, since there is reliable data and experience to forecast the staff effort required to complete such reviews.

C. Cost estimates are based on an assumed salary and fringe rate of \$50/hour for staff in the Waterways Program.

II. State Fiscal Effect

1. The Department will review and administer the filled lands program prior to application and at the time an application is submitted. Prior to administering the program, an inventory of bulkhead line areas, lake bed grant areas, and submerged land leases is required in order to enable municipalities to undertake their reviews under s. 30.2039(4). The Department has these records available in hard copy in decentralized locations making retrievability challenging. The Department will incur costs to compile these records upon request by a municipality or by preemptively making such records available in an easily retrievable manner. The costs assigned to this compilation effort are based on the assumption that the Department will retrieve/compile the records for a specific location, requiring approximately 2 hours of staff time per request at an estimated cost of \$100.

2. Prior to application submittal to the department, it is likely that program staff will be requested to identify the existing ordinary high water mark on subject properties in preparation of application submittal to the municipality. Based on program experience, fulfilling these requests for chapter 30 jurisdictional determinations typically requires 3 hours per request at an estimated cost of \$150.

3. At which time an application is made to the Department, it is anticipated that the cost to review the submittal will be similar to that which occurs during an individual permit review process. Based on program experience, these reviews require approximately 6 hours of waterway program staff time and 1 hour of resource manager expert time within six programs engaged to review the application (fisheries program, wildlife program, water quality program, office of great waters, solid waste, Remediation/Redevelopment). In addition to the application and resource review time, it is likely that these

projects will most often require a public informational hearing process which is expected to add an additional 8 hours of staff time to prepare for and administer the public informational hearing. Total Department review time is anticipated to be approximately 20 hours per occurrence, at an estimated cost of \$1,000.

4. In total, program expenditures are estimated to be \$1,250 per submittal.

III. Local Fiscal Effect

It is anticipated that the bill will increase costs incurred by local municipalities to review submittals and engage with the Department. It is unclear whether the municipalities will be able to assess a fee for such services. Once a process has been completed, it is assumed that the resultant new develop-able land in private ownership may increase the tax-assessed value, which may ultimately lead to an increase in property tax revenues in those municipalities.

Long-Range Fiscal Implications

After municipalities prepare submittals and receive approval of new shorelines from the Waterways program, redevelopment will likely occur in the long-term. At that time, historic fill exemptions, materials management plans, or remedial actions requests could increase by an indeterminate amount for the Remediation and Redevelopment program. This could result in more sites, more workload, along with the fees that the program would charge to cover staff time. Additional staff may be needed depending on the number of sites that will be developed.