

Fiscal Estimate - 2021 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 21-6105/1	Introduction Number SB-1083
Description county authority relating to exploration for a type of industrial sand	
Fiscal Effect	
State: <input type="checkbox"/> No State Fiscal Effect <input checked="" type="checkbox"/> Indeterminate <div style="display: flex; justify-content: space-between;"> <div style="width: 30%;"> <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations </div> <div style="width: 30%;"> <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues </div> <div style="width: 30%;"> <input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Decrease Costs </div> </div>	
Local: <input type="checkbox"/> No Local Government Costs <input checked="" type="checkbox"/> Indeterminate <div style="display: flex; justify-content: space-between;"> <div style="width: 30%;"> 1. <input checked="" type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory </div> <div style="width: 30%;"> 3. <input checked="" type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory </div> <div style="width: 30%;"> 5. Types of Local Government Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input checked="" type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts </div> </div>	
Fund Sources Affected Affected Ch. 20 Appropriations <input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	
Agency/Prepared By DNR/ Paul Neumann (608) 266-0818	Authorized Signature Paul Neumann (608) 266-0818
Date 3/18/2022	

Fiscal Estimate Narratives

DNR 3/18/2022

LRB Number	21-6105/1	Introduction Number	SB-1083	Estimate Type	Original
Description county authority relating to exploration for a type of industrial sand					

Assumptions Used in Arriving at Fiscal Estimate

The bill authorizes counties to issue licenses for frac sand exploration, and it requires the Department to provide technical assistance related to frac sand exploration to a county upon request.

I. DNR FISCAL EFFECT

The Department would incur an indeterminate amount of staff time & associated costs to provide the technical assistance required by the bill. These costs could be negligible or substantial depending on the scope, scale and complexity of exploration activity, and the extent of technical expertise possessed by county staff and their consultants.

II. LOCAL FISCAL EFFECT

A. Costs

Counties would incur an indeterminate amount of staff time and associated costs to administer the licensing, drilling notice and drillhole abandonment requirements (issuing licenses, processing fees, reviewing bonding and insurance documents, maintaining records, monitoring compliance, enforcing violations, developing maps and communication materials, etc.). These costs could be negligible or substantial depending on the scope, scale and complexity of exploration activity in each county and the level of compliance with the new requirements (enforcement action can prove time consuming and expensive, and may include potential for litigation).

Potential one-time costs for counties may include development and implementation of systems for issuing licenses and maintaining records.

B. Revenues

Revenue collected by counties would increase by an indeterminate amount contingent on the exploration license and drillhole fees established by each county, the number of exploration projects in a given county, and the number of drillholes involved in each exploration project.

Long-Range Fiscal Implications