

### Fiscal Estimate - 2023 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> <b>23-4472/1</b>	<b>Introduction Number</b> <b>AB-1205</b>
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**Description**  
 requiring battery producers to administer battery collection and recycling programs, granting rule-making authority, making an appropriation, and providing a penalty

**Fiscal Effect**

**State:**

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

**Local:**

<input type="checkbox"/> No Local Government Costs	<b>5. Types of Local Government Units Affected</b>	
<input type="checkbox"/> Indeterminate	<input type="checkbox"/> Towns	<input type="checkbox"/> Village <input type="checkbox"/> Cities
1. <input type="checkbox"/> Increase Costs	<input type="checkbox"/> Counties	<input type="checkbox"/> Others
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> School Districts	<input type="checkbox"/> WTCS Districts
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		

<b>Fund Sources Affected</b>	<b>Affected Ch. 20 Appropriations</b>
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input checked="" type="checkbox"/> SEG <input type="checkbox"/> SEGS	20.370 (4)(ht)

<b>Agency/Prepared By</b> DNR/ Paul Neumann (608) 266-0818	<b>Authorized Signature</b> Paul Neumann (608) 266-0818	<b>Date</b> 4/25/2024
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## Fiscal Estimate Narratives

DNR 4/25/2024

LRB Number	23-4472/1	Introduction Number	AB-1205	Estimate Type	Original
<b>Description</b> requiring battery producers to administer battery collection and recycling programs, granting rule-making authority, making an appropriation, and providing a penalty					

### Assumptions Used in Arriving at Fiscal Estimate

Under the bill, beginning January 1, 2026, no battery producer or retailer may sell a battery in this state unless the producer: 1) is operating under a battery stewardship plan that has been approved by the DNR; 2) pays an annual fee of \$20,000 to DNR; 3) submits annual reports to DNR; 4) completes an independent audit of its battery collection program after five years; and 5) provides retailers of its batteries with educational materials about its battery collection program. Under the bill, all of these requirements may be undertaken on behalf of a producer by a battery stewardship organization made up of at least five producers. The bill also allows DNR to change the amount of the annual \$20,000 producer fee, as necessary to maintain the program created under the bill, without going through the statutory rule-making process.

#### A. Revenue Estimate

The bill specifies that a producer operating under an approved battery stewardship plan shall pay an annual fee of \$20,000 to the department (which the department may adjust as necessary). Producers may meet this and other requirements by joining a battery stewardship organization, which will fulfill the producers' obligations under the bill. In other states with similar programs, a single battery stewardship organization has been operating on behalf of producers. Therefore the department assumes a single annual fee of \$20,000 that would be deposited into the Environmental Fund.

#### B. One-Time Implementation Costs

The department assumes a 2-year project position would be required to implement the program. Department duties include initial plan review, approval/denial; plan amendments and revocations; public notification of proposed plan; building and maintaining a webpage with information including a copy of all approved battery stewardship plans, names of producers with approved battery stewardship plans and a list of brands of covered batteries listed in approved battery stewardship plans; education and outreach; providing a report to the legislature (every two years); technical and compliance assistance, including inspections and following up on non-compliance; and general regulatory oversight. The proposal also provides that the department may promulgate rules to implement and administer the program.

Based on the duties described above, one-time cost estimates are as follows:

1. NR Program Coordinator salary and fringe= \$57/hour x 2080 hrs. = \$118,600 (Years 1 and 2)
2. Based on experience implementing the E-Cycle Wisconsin program, the department estimates \$150,000/year in the first two years to develop and implement public outreach campaigns.
3. Total implementation costs in Year 1 (\$118,600+\$150,000) = \$268,600; total implementation costs in Year 2= \$268,600. Total one-time costs= \$537,200.

#### C. Ongoing Annual Costs

The department assumes that a half-time position (0.5 FTE) or LTE would be needed to maintain the program. Cost estimates are as follows:

1. NR Program Coordinator salary and fringe= \$57/hour x 1040 hrs. = \$59,300 (Year 3+)
2. Based on experience implementing the E-Cycle Wisconsin program, the department estimates \$100,000 annually after program implementation.
3. Total ongoing annual costs (\$59,300+\$100,000) = \$159,300.

## Long-Range Fiscal Implications

## Fiscal Estimate Worksheet - 2023 Session

Detailed Estimate of Annual Fiscal Effect

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<b>Description</b> requiring battery producers to administer battery collection and recycling programs, granting rule-making authority, making an appropriation, and providing a penalty		
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>  \$537,200 in one-time implementation costs for the first two years.		
<b>II. Annualized Costs:</b>	<b>Annualized Fiscal Impact on funds from:</b>	
	Increased Costs      Decreased Costs	
<b>A. State Costs by Category</b>		
State Operations - Salaries and Fringes	\$59,300	\$
(FTE Position Changes)	(0.5 FTE)	
State Operations - Other Costs	100,000	
Local Assistance		
Aids to Individuals or Organizations		
<b>TOTAL State Costs by Category</b>	<b>\$159,300</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>		
GPR		
FED		
PRO/PRS		
SEG/SEG-S	159,300	
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>		
	Increased Rev	Decreased Rev
GPR Taxes	\$	\$
GPR Earned		
FED		
PRO/PRS		
SEG/SEG-S (Environmental)	20,000	
<b>TOTAL State Revenues</b>	<b>\$20,000</b>	<b>\$</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>		
	<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS	\$159,300	\$
NET CHANGE IN REVENUE	\$20,000	\$
<b>Agency/Prepared By</b> <b>Authorized Signature</b> <b>Date</b>		
DNR/ Paul Neumann (608) 266-0818	Paul Neumann (608) 266-0818	4/25/2024