

### Fiscal Estimate - 2023 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> <b>23-0136/1</b>	<b>Introduction Number</b> <b>AB-0796</b>
------------------------------------	---

**Description**  
 report on environmental impacts to vulnerable communities and granting rule-making authority

**Fiscal Effect**

**State:**

- No State Fiscal Effect
- Indeterminate
  - Increase Existing Appropriations
  - Decrease Existing Appropriations
  - Create New Appropriations
- Increase Existing Revenues
- Decrease Existing Revenues
- Increase Costs - May be possible to absorb within agency's budget
  - Yes
  - No
- Decrease Costs

**Local:**

- No Local Government Costs
  - Indeterminate
  - 1.  Increase Costs      3.  Increase Revenue
  - Permissive  Mandatory       Permissive  Mandatory
  - 2.  Decrease Costs      4.  Decrease Revenue
  - Permissive  Mandatory       Permissive  Mandatory
- 5. Types of Local Government Units Affected**
- Towns       Village       Cities
  - Counties       Others
  - School Districts       WTCS Districts

**Fund Sources Affected** **Affected Ch. 20 Appropriations**

GPR     FED     PRO     PRS     SEG     SEGS

<b>Agency/Prepared By</b>	<b>Authorized Signature</b>	<b>Date</b>
DNR/ Paul Neumann (608) 266-0818	Paul Neumann (608) 266-0818	12/26/2023

## Fiscal Estimate Narratives

DNR 12/26/2023

LRB Number	23-0136/1	Introduction Number	AB-0796	Estimate Type	Original
<b>Description</b> report on environmental impacts to vulnerable communities and granting rule-making authority					

### Assumptions Used in Arriving at Fiscal Estimate

The bill prohibits the Department of Natural Resources from issuing certain permits for the operation of a facility that is located in a vulnerable community unless the permit applicant 1) prepares a report assessing the environmental impact of the facility, 2) makes the report available to the public and provides the report to DNR and to the municipality in which the vulnerable community is located, and 3) conducts a public hearing in the municipality in which the vulnerable community is located.

It is assumed that the bill would impact permits issued by three DNR programs: Air Management, Waste & Materials Management and Water Quality.

#### Fiscal Effect

##### A. DNR-IT Program

The DNR-IT program assumes that it will use an existing screening tool such as the Climate Economic Justice Screening Tool (CEJST) to develop and maintain a list of vulnerable communities. As a result, the cost of this technical work is negligible.

##### B. Bureau of Air Management

Air Management (AM) assumes that the bill will impact all permit types broadly covered in s. 285, Wis. Stats, including Title V, New Source Review (NSR), Prevention of Significant Deterioration (PSD), Nonattainment New Source Review (NNSR), and Federally Enforceable State Operating Permits (FESOP). Furthermore, it assumes that "permits for the operation of facilities...", as prescribed in the bill, refers to air construction and operation permits.

##### 1. One-Time Costs

- a. Rules/guidance development for cumulative impact (1200 hrs.)
- b. Guidance development for vulnerable community procedures/engagement (1200 hrs.)
- c. Review of authority and additional rulemaking (1600 hours X 2 rules = 3200 hrs.)
- d. Updates of ROP/GOP permits to create vulnerable communities coverage (600 hr/ea = 1200 hrs.)
- e. Additional training for staff on procedures/outreach (25 staff X 40 hrs = 1000 hrs.)
- f. Total of 7,800 hrs. of staff time x \$66.02/hr. for salary/fringe for policy and engineering staff = \$494,800.

##### 2. Ongoing Costs

- a. Assumes 25 staff each allocating 166 hrs. per year for guidance, assistance, public meetings, ongoing training
- b.  $25 \times 166 = 4150$  total hrs. x \$68.60/hr. for salary fringe for engineering and supervisory staff = \$284,700 and 2.3 FTE.

##### C. Bureau of Waste and Materials Management

Waste and Materials Management (WA) estimates that the Hazardous Waste and Solid Waste subprograms would spend approximately 4 hours per person attending a hearing and 8 more hours per person reviewing information submitted by applicants before a decision is made. This is in addition to current review hours.

##### 1. Hazardous Waste Facilities

- a. There are 12 hazardous waste licensed facilities (s. 291, Wis. Stats) in Wisconsin that have a license renewal every 10 years, and, on average, have a plan of operation modification decision once during each 10-

year period. For a high-end estimate of the bill's fiscal impact, all 12 facilities are assumed to be in a vulnerable community.

b. Additional review required for all facilities at each 10-year renewal and at each plan modification within each 10-year period is estimated to be 24 reviews \* 12 additional hours \* \$55/hr. for salary/fringe \* 4 staff = \$63,400 every ten years (annualized cost = \$6,300 and 0.1 FTE)

## 2. Solid Waste Facilities

a. There are several hundred currently licensed solid waste facilities (s. 289, Wis. Stats) in Wisconsin, including landfills, solid waste processors, transfer stations, storage facilities, etc. There are also several low-hazard exemption approvals each year that allow placement of low-hazard solid waste in an unlicensed facility.

b. Assuming possibly 10% of the average 200 decisions made for these facilities each year are in a vulnerable community, additional review time and cost is estimated at 20 decisions per year \* 12 hours \* \$55/hr. for salary/fringe \* 4 staff = \$52,800 per year and 0.5 FTE. Decisions would include feasibility determinations, plans of operation, plan modifications, and exemptions.

## D. Bureau of Water Quality

a. Administrative rule making costs would be minimal.

b. Wastewater staff time would need to be spent reviewing materials submitted by permittee (est. 8 hrs), conducting hearings (est. 4 hrs. with travel time) and responding to stakeholder input submitted during hearing (est. 8 hours). Time needed could increase depending on permitting/facility complexity (e.g., multiple outfalls from an industrial permittee).

c. Assuming 10 facilities in a vulnerable community and review required at each 5-year permit reissuance, the cost every 5 years would be 10 \* \$50/hour \* 20 hours \* 1 staff = \$10,000 every five years (annualized cost = \$2,000).

## E. Total Costs

Total one-time costs of \$494,800, and total ongoing costs of \$345,800 and 2.9 FTE.

## Long-Range Fiscal Implications

## Fiscal Estimate Worksheet - 2023 Session

Detailed Estimate of Annual Fiscal Effect

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> 23-0136/1	<b>Introduction Number</b> AB-0796	
<b>Description</b> report on environmental impacts to vulnerable communities and granting rule-making authority		
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>  One-time costs of \$494,800 in the Bureau of Air Management for administrative rules and program implementation.		
<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	\$345,800	\$
(FTE Position Changes)	(2.9 FTE)	
State Operations - Other Costs		
Local Assistance		
Aids to Individuals or Organizations		
<b>TOTAL State Costs by Category</b>	<b>\$345,800</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>		
GPR		
FED		
PRO/PRS	345,800	
SEG/SEG-S		
<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		
<b>TOTAL State Revenues</b>	<b>\$</b>	<b>\$</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>		
	<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS	\$345,800	\$
NET CHANGE IN REVENUE	\$	\$
<b>Agency/Prepared By</b> <b>Authorized Signature</b> <b>Date</b>		
DNR/ Paul Neumann (608) 266-0818	Paul Neumann (608) 266-0818	12/26/2023