



## Fiscal Estimate Narratives

DNR 1/28/2024

LRB Number	23-5535/1	Introduction Number	AB-0987	Estimate Type	Original
<b>Description</b> education about rechargeable batteries and providing grants for collecting and recycling rechargeable batteries					

### Assumptions Used in Arriving at Fiscal Estimate

This bill requires DNR to also prepare educational materials to inform the public about the dangers of rechargeable batteries in the waste and recycling streams and about existing options for properly recycling rechargeable batteries.

The bill also requires DNR to provide grants to responsible units, municipalities, businesses, tribal governments, and nonprofit organizations for the purpose of expanding rechargeable battery collection and recycling operations, creating new sites for the collection or recycling of rechargeable batteries, purchasing rechargeable battery collection and shipping kits and equipment for handling damaged or defective rechargeable batteries, and transporting rechargeable batteries to third-party collection and recycling facilities.

The bill also requires DNR to provide grants to solid waste facilities and materials recovery facilities for the purpose of installing, upgrading, or expanding fire detection and suppression systems to address the increased risk of fire due to the presence of rechargeable batteries in the waste and recycling streams.

Finally, under the bill, DNR must submit a request to the Joint Committee on Finance for supplemental Environmental SEG funding, not to exceed \$10 million, for these purposes.

#### I. Assumptions

1. There will be additional staff costs for the department to create and administer two grant programs (one to expand rechargeable battery recycling and recovery programs, one for the purpose of installing, upgrading, or expanding fire detection and suppression systems). The bill requires the department to offer up to \$10 million in grants to 1000s of eligible entities: responsible units, municipalities, businesses, tribal governments, nonprofit organizations, solid waste facilities, and materials recovery facilities. This would require grant program design, grant application development and review, outreach, technical assistance, reporting and compliance monitoring for possibly hundreds of individual grant applications each year and would be very difficult to implement successfully within existing staff resources.

2. Grant program development and management and grant award distribution would continue until the maximum \$10 million is expended.

#### II. One-Time Implementation Costs

##### A. Education & Outreach

The bill does not direct a specified amount to be spent on informing the public about dangers of rechargeable batteries in the waste and recycling streams. Section 4 of the bill, non-statutory provisions, requires the department to request under s. 13.101 (3) that the joint committee on finance supplement the appropriation under s. 20.370 (4) (hq) with sufficient funds for providing this education to the public.

If approved by the joint committee, approximately \$100,000 per year would be used for education and outreach expenditures.

Additional costs would be for staff time to develop and manage those efforts. Staff time would minimally be about 10 hours per month devoted to this new topic, with a recurring annual cost of approximately \$57/hour (FTE NR Program Coordinator salary and fringe) \* 10 hours \* 12 months = ~\$6,900/year.

##### B. Grant Development

Minimum department staff costs would include developing implementation procedures, grant application forms and instructions, and webpage content, and determining award amounts and decision criteria.

For grant program design and criteria, outreach: 500 hours \* \$57 (FTE NR Program Coordinator salary and fringe) \* 2 grant programs = \$57,000

For grant application development and reporting procedures: 400 hours \* \$56 (FTE Financial Assistance Spec. Project position salary and fringe) \* 2 grant programs = \$44,800

Total = \$101,800

### C. Grant Management

Minimum department staff costs to administer both grant programs would include outreach and application assistance, application review, grant agreement development and issuance, grant encumbrance, reimbursement review and processing, and reporting. It is estimated that 5-10 hours (7.5 average) of staff time would be required for each grant application.

For the rechargeable battery recycling and recovery grant program, there is an unknown number of responsible units, municipalities, businesses, tribal governments, nonprofit organizations that would apply. If the grant numbers are limited to 110 awards per year (110 \* \$20,000 = \$2.2 million), estimated costs would be:

110 grants \* 7.5 hours \* \$56 (FTE Financial Assistance Spec. Project position salary and fringe) = \$46,200/year

For the fire prevention and suppression grants, there are approximately 220 licensed solid waste facilities and self-certified materials recovery facilities in Wisconsin (landfills, MRFs, electronics processors, combustors, solid waste storage and solid waste processing facilities). If 20 percent of those sites received a grant in one year, 44 grants would be awarded. (44 grants at the maximum \$50,000 per grant = \$2.2 million)

44 grants \* 7.5 hours \* \$56 (FTE Financial Assistance Spec. Project position salary and fringe) = \$18,500/year

### D. Total One-Time Implementation Costs

1. Education & Outreach: \$106,900 (\$100,000 + \$6,900)
2. Grant Development: \$101,800 (\$57,000 + \$44,800)
3. Grant Management: \$64,700 (\$46,200 + \$18,500)
4. TOTAL IMPLEMENTATION COSTS: \$273,400

### III. One-Time Grants To Local Units of Government & Other Entities

After deducting the aforementioned one-time implementation costs from the \$10 million of maximum funding, the department estimates that \$9,726,600, or 97%, would be available to award grants in a manner prescribed in the bill.

### Long-Range Fiscal Implications

## Fiscal Estimate Worksheet - 2023 Session

Detailed Estimate of Annual Fiscal Effect

Original     
  Updated     
  Corrected     
  Supplemental

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<b>Description</b> education about rechargeable batteries and providing grants for collecting and recycling rechargeable batteries		
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>  One-time grants of \$9,726,600. One-time administrative implementation costs of \$273,400.		
<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	\$	\$
(FTE Position Changes)		
State Operations - Other Costs		
Local Assistance		
Aids to Individuals or Organizations		
<b>TOTAL State Costs by Category</b>	<b>\$</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>		
GPR		
FED		
PRO/PRS		
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	\$	\$
NET CHANGE IN REVENUE	\$	\$
<b>Agency/Prepared By</b> <b>Authorized Signature</b> <b>Date</b>		
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