

Fiscal Estimate — 2010 Session

<input checked="" type="checkbox"/> Original <input type="checkbox"/> Updated <input type="checkbox"/> Corrected <input type="checkbox"/> Supplemental	LRB Number Bill Number	Amendment Number if Applicable Administrative Rule Number NR 411
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Subject

Proposed rules affecting NR 411, pertaining to the indirect source permit rule.

Fiscal Effect

State: No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.

- | | |
|--|--|
| <input type="checkbox"/> Increase Existing Appropriation | <input type="checkbox"/> Increase Existing Revenues |
| <input type="checkbox"/> Decrease Existing Appropriation | <input checked="" type="checkbox"/> Decrease Existing Revenues |
| <input type="checkbox"/> Create New Appropriation | |

- Increase Costs — May be possible to absorb within agency's budget.
 Yes No
- Decrease Costs

Local: No Local Government Costs

1. Increase Costs
 Permissive Mandatory
2. Decrease Costs
 Permissive Mandatory

3. Increase Revenues
 Permissive Mandatory
4. Decrease Revenues
 Permissive Mandatory

5. Types of Local Governmental Units Affected:
 Towns Villages Cities
 Counties Others
 School Districts WTCS Districts

Fund Sources Affected

- GPR FED PRO PRS SEG SEG-S

Affected Chapter 20 Appropriations

Assumptions Used in Arriving at Fiscal Estimate

A revised rule will save businesses and developers about \$270,000 annually in permit fees and project analysis related costs. The cost for an indirect source air permit with environmental assessment is \$8,250. In addition, the cost to develop an indirect source permit application, including consultant fees, traffic modeling, and documentation can total between \$30,000 - \$40,000. In an average year, Air Management processes 9 indirect source air permits, so the total business cost is approximately 9 X \$30,000 = \$270,000. Since legal fees are not factored into this estimate, the true savings are likely to be substantially greater than the estimate.

The adoption of a general construction permit framework will result in reduced state costs, but also reduced revenues related to the current indirect source permit revenue. Reduced revenues occur because the proposed rule applies the general permit fee structure, eliminates the environmental assessment requirement for most indirect source permit applications, and eliminates the screening level analysis for roadway projects.

Assumptions for annual reduced revenues:

- 9 Indirect Source Permits - Permit Fees under Current Rule = \$74,250
 9 Indirect Source Permits - Permit Fees under Proposed Rule = \$13,500

Reduced costs to the state occur due to the elimination of the screening level analysis for highway projects. Surveys of consultants indicate that the average cost associated with developing an indirect source permit exemption is \$4,000. The \$4,000 cost is paid by either Wisconsin municipalities or the Wisconsin Department of Transportation

Assumptions for annual reduced costs:

- 2 Screening Level Analyses - Consultant Fees under Current Rule = \$8,000

Long-Range Fiscal Implications

None

Prepared By:	Telephone No.	Agency
Joseph Polasek	266-2794	Department of Natural Resources
Authorized Signature	Telephone No.	Date (mm/dd/ccyy)
/S/	266-2794	04-22-10

Fiscal Estimate Worksheet — 2010 Session

Detailed Estimate of Annual Fiscal Effect

- Original Updated
 Corrected Supplemental

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One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):

Annualized Costs:	Annualized Fiscal Impact on State Funds from:	
	Increased Costs	Decreased Costs
A. State Costs by Category		
State Operations — Salaries and Fringes	\$	\$ -
(FTE Position Changes)	(FTE)	(FTE)
State Operations — Other Costs		8,000
Local Assistance		-
Aids to Individuals or Organizations		-
Total State Costs by Category	\$	\$ - 8,000
B. State Costs by Source of Funds		
GPR	\$	\$ -
FED		-
PRO/PRS		-
SEG/SEG-S		-
State Revenues	Increased Revenue	Decreased Revenue
GPR Taxes	\$	\$ -
GPR Earned		-
FED		-
PRO/PRS		60,750
SEG/SEG-S		-
Total State Revenues	\$	\$ - 60,750

Net Annualized Fiscal Impact

	<u>State</u>	<u>Local</u>
Net Change in Costs	\$ -8,000	\$
Net Change in Revenues	\$ -60,750	\$

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