

## ADMINISTRATIVE RULES Fiscal Estimate & Economic Impact Analysis

<b>1. Type of Estimate and Analysis</b> <input checked="" type="checkbox"/> Original <input type="checkbox"/> Updated <input type="checkbox"/> Corrected	<b>2. Date</b> 2/6/2023
<b>3. Administrative Rule Chapter, Title and Number (and Clearinghouse Number if applicable)</b> Chapter WEM 1, Fees	
<b>4. Subject</b> Fee payments for hazardous materials emergency planning notifications and inventory reporting.	
<b>5. Fund Sources Affected</b> <input type="checkbox"/> GPR <input type="checkbox"/> FED <input checked="" type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEG-S	<b>6. Chapter 20, Stats. Appropriations Affected</b> 20.465(3)(i)
<b>7. Fiscal Effect of Implementing the Rule</b> <input type="checkbox"/> No Fiscal Effect <input checked="" type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Increase Costs <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Indeterminate <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Could Absorb Within Agency's Budget	
<b>8. The Rule Will Impact the Following (Check All That Apply)</b> <input checked="" type="checkbox"/> State's Economy <input checked="" type="checkbox"/> Specific Businesses/Sectors <input type="checkbox"/> Local Government Units <input type="checkbox"/> Public Utility Rate Payers <input checked="" type="checkbox"/> Small Businesses <b>(if checked, complete Attachment A)</b>	
<b>9. Estimate of Implementation and Compliance to Businesses, Local Governmental Units and Individuals, per s. 227.137(3)(b)(1).</b> \$Approximately 6,832 businesses are subject to the fees addressed by the rule. The proposed rule would result in an increase for those business of between \$60 to \$450 per business annually depending on the size of business and quantity of chemicals. Approximately 94% of impacted businesses would have an increase between \$60 and \$145 per year.	
<b>10. Would Implementation and Compliance Costs Businesses, Local Governmental Units and Individuals Be \$10 Million or more Over Any 2-year Period, per s. 227.137(3)(b)(2)?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>11. Policy Problem Addressed by the Rule</b> The fees were initially created to provide funding for the state, through the department of military affairs' emergency management division (WEM) to implement required federal regulations 42 USC 11000 to 11050. The current fee amount was set in 2010 and it is anticipated that the current fees will not be sufficient to cover WEM's costs of administering and ensuring compliance with the federal law and providing for grants under s. 323.61, Stats.	
<b>12. Summary of the Businesses, Business Sectors, Associations Representing Business, Local Governmental Units, and Individuals that may be Affected by the Proposed Rule that were Contacted for Comments.</b>	
<b>13. Identify the Local Governmental Units that Participated in the Development of this EIA.</b>	
<b>14. Summary of Rule's Economic and Fiscal Impact on Specific Businesses, Business Sectors, Public Utility Rate Payers, Local Governmental Units and the State's Economy as a Whole (Include Implementation and Compliance Costs Expected to be Incurred)</b> See the attached analysis. There should be no additional fiscal impact.	
<b>15. Benefits of Implementing the Rule and Alternative(s) to Implementing the Rule</b> Implementing the rule will allow the statutorily-required state-level program to remain solvent. The only alternative would be to reduce funding to the program which would not allow the program to meet statutory requirements.	
<b>16. Long Range Implications of Implementing the Rule</b> Allowing the fees to be increased for inflation will ensure the solvency of the statutorily-required state-level program over the long term.	
<b>17. Compare With Approaches Being Used by Federal Government</b>	

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There is no similar federal law or regulation to WEM 1.

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18. Compare With Approaches Being Used by Neighboring States (Illinois, Iowa, Michigan and Minnesota)

WEM is statutorily required to impose inventory fees for facilities submitting Tier II reports. Tier II reports convey specific information on hazardous chemicals present at a facility and are required by the US Environmental Protection Agency for facilities that are required to prepare or have available a Safety Data Sheet (also known as the Material Safety Data Sheet) under the regulations implementing the Occupational Safety and Health Act of 1970. Illinois, Iowa, and Michigan do not impose fees and therefore fund their programs from general state funds. Minnesota charges a \$500 fee for facilities that generate large quantities of hazardous waste (> 1,000 kg per month) and additional fees for toxic chemical releases (\$500 for releases < 25,000 pounds; \$0.02/pound for releases > 25,000 pounds).

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19. Contact Name

Katie Sommers

20. Contact Phone Number

608-242-3222

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**ATTACHMENT A**

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1. Summary of Rule's Economic and Fiscal Impact on Small Businesses (Separately for each Small Business Sector, Include Implementation and Compliance Costs Expected to be Incurred)

See attached.

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2. Summary of the data sources used to measure the Rule's impact on Small Businesses

Data was pulled directly from the online hazardous materials reporting and fee payment software used by Wisconsin Emergency Management.

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3. Did the agency consider the following methods to reduce the impact of the Rule on Small Businesses?

- Less Stringent Compliance or Reporting Requirements
- Less Stringent Schedules or Deadlines for Compliance or Reporting
- Consolidation or Simplification of Reporting Requirements
- Establishment of performance standards in lieu of Design or Operational Standards
- Exemption of Small Businesses from some or all requirements
- Other, describe:

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4. Describe the methods incorporated into the Rule that will reduce its impact on Small Businesses

Small businesses with fewer than ten employees are exempt from the fees.

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5. Describe the Rule's Enforcement Provisions

Enforcement is addressed in Wis. Stat. § 323.60 (8).

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6. Did the Agency prepare a Cost Benefit Analysis (if Yes, attach to form)

- Yes     No
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