



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

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Joint Committee on Finance

Paper #548

Environmental Analysis of Road Projects (DNR -- Departmentwide)

Bill Agency

[LFB 2007-09 Budget Summary: Page 396, #8]

CURRENT LAW

Under a cooperative funding agreement between DNR and the Department of Transportation (DOT), DNR provides funding from a GPR appropriation in the Bureau of Science Services for 3.0 DNR positions and DOT provides funding from the state highway rehabilitation SEG appropriation (transportation fund) to support 4.0 DNR PR positions for a streamlined state highway project review process. These staff assist with environmental reviews (erosion, waterway, and wetland regulations, and environmental assessments, as needed) of state roadway projects in the DNR regions; expedite testing, review and cleanup of transportation sites contaminated by petroleum tank or other spills; and conduct endangered and threatened species reviews.

GOVERNOR

Provide 3.0 regional environmental analysis and review specialist positions beginning in 2007-08 to support the analysis of Department of Transportation and local government transportation projects.

DISCUSSION POINTS

1. Under the bill, the 3.0 additional positions would be funded by DOT and would be assigned to DNR's Bureau of Science Services, Environmental Analysis and Review Program. The funding for the additional positions would be provided from DOT's state highway rehabilitation

SEG appropriation, but the bill would not increase funding in that appropriation for this purpose.

2. For state projects that fall under the cooperative agreement, a single DNR employee serves as the contact point and DOT liaison for all of the permits required for a given highway project. At present, there can be confusion among the DNR, DOT, local governments, and contractors over which projects fall under the cooperative agreement, who at DNR is responsible for overseeing a particular project, and the specific regulations that apply to the project. The 3.0 additional positions provided under the bill would bring environmental analysis staffing to 10.0. The equivalent of 7.0 positions would continue to perform environmental reviews of state roadway projects, while the equivalent of three staff would be utilized to create a similar effort to assist local governments in completing the environmental review process and provide a single point of contact in each county for local road projects. Providing a single point of contact in DNR for local projects in each county would be expected to eliminate confusion among local officials over who to contact, and the DNR liaison would coordinate what permits to obtain for each project. Also, DNR staff indicate they often do not see local transportation designs until the local government has submitted a permit application and is ready to begin construction on the project. However, these designs may require revisions or complex permits, which serve to delay construction and lengthen the amount of time required to complete the project. Under the bill, DNR officials envision that local governments would contact their DNR representative prior to the design phase of a project. This would allow DNR to provide advice for the design of the project, that, taking into account the project site, would minimize the project's environmental impact and the corresponding complexity of the required permit, ultimately reducing delays in the permitting process.

3. Currently, DOT funds 4.0 permanent positions, one contract person, and up to nine FTEs of limited-term employees (equivalent to 18 LTEs) related to the streamlined state highway review process. However, LTE positions may experience high turnover rates and each new hire involves time and resources to train. Therefore, as the Department's goal is to provide a single point of contact for each local government to work with, DNR staff indicate LTEs may not lend themselves well to this purpose. Under the bill, DNR would be provided 3.0 PR positions, but no expenditure authority related to these positions. DOA and DNR indicate no expenditure authority was provided since the appropriation is continuing. As a continuing appropriation, DNR, with the approval of DOA, may expend all monies received by the appropriation. However, since the appropriations schedule under chapter 20 of the statutes is intended to represent the best estimate of expenditures for a continuing appropriation, if the Committee chooses to adopt the Governor's recommendation, associated expenditure authority could also be provided (\$150,600 in 2007-08 and \$200,800 in 2008-09).

4. Since the purpose of providing additional positions would be to streamline the environmental review of local transportation projects, it may be appropriate to provide the funding for the positions directly from DOT's local road assistance program, rather than a state highway improvement program. The initiative included in the bill was originally proposed by the Local Roads and Streets Council (LRSC), an advisory panel for the DOT Secretary composed of representatives of the local government associations. The LRSC recommended that the funding be provided from the local roads improvement program, through an annual transfer to DNR. To adopt this recommendation, the bill could be modified to give DOT the authority to provide funding for

the 3.0 positions from the SEG appropriation for the formula component of the local roads improvement program, subject to an interagency agreement for the review of local transportation projects. It should also be specified that such payments be made prior to the allocations to counties, municipalities, and towns for entitlements under the local roads improvement program. To ensure that the state highway rehabilitation or other DOT program is not used for providing payments for DNR positions used in the review of local transportation projects, the bill could also specify that such payments may only be made from the SEG appropriation for the local roads improvement program.

5. If the additional positions are not provided, DNR could either continue the current review process for local road projects, or use additional LTEs to streamline the process.

ALTERNATIVES TO BILL

1. Adopt the Governor's recommendation to provide 3.0 regional environmental analysis and review specialist positions beginning in 2007-08 to support the analysis of Department of Transportation and local government transportation projects.

ALT 1	Change to Bill Positions	Change to Base Positions
PR	0.00	3.00

2. Adopt the Governor's recommendation. In addition, provide \$150,600 in 2007-08 and \$200,800 in 2008-09 for associated salary, fringe benefits, and supplies.

ALT 2	Change to Bill		Change to Base	
	Funding	Positions	Funding	Positions
PR	\$351,400	0.00	\$351,400	3.00

3. In addition to Alternative 1 or 2, specify that DOT may make a payment to DNR from the SEG appropriation for the formula component of the local roads improvement program for the support of 3.0 positions related to the environmental review of local transportation projects, subject to an interagency agreement, but that if such a payment is made it must only be made from that appropriation. Further, specify that such a payment be made prior to the allocations for entitlements under the program.

4. Delete provision.

ALT 4	Change to Bill Positions	Change to Base Positions
PR	- 3.00	0.00

Prepared by: Erin Rushmer