



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873
Email: fiscal.bureau@legis.wisconsin.gov • Website: <http://legis.wisconsin.gov/lfb>

February 12, 2020

TO: Members
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Assembly Bill 790/Senate Bill 723: County Conservation Staffing

Assembly Bill 790 was introduced on January 24, 2020, and referred to the Assembly Committee on Agriculture. On February 4, 2020, a public hearing was held. On February 6, 2020, the Assembly Committee on Agriculture recommended the bill for passage on a vote of 11-0.

Senate Bill 723, which is identical to AB 790, was introduced on January 24, 2020, and referred to the Senate Committee on Natural Resources and Energy. On February 5, 2020, the Senate Committee held a public hearing on the bill.

BACKGROUND AND CURRENT LAW

Since 1987, the Department of Agriculture, Trade and Consumer Protection (DATCP) has disbursed state funds to county land conservation committees to support activities that prevent soil erosion and runoff of nutrients and pollutants into waters of the state. County conservation staff activities eligible for funding include: (a) land and water resource management plan implementation; (b) conservation practice engineering, design, and installation; (c) cost-share grant administration; (d) farmland preservation program administration; and (e) livestock regulation. Counties submit funding requests each spring, and grant awards are finalized in fall for the subsequent calendar year. Grants to counties for conservation staff are provided on a reimbursement basis.

Grants are awarded in a tiered process, providing each county a base allocation of \$75,000. As available, remaining funding is allocated to provide for 100% funding of a county's first position, 70% of a second position, and 50% for each position thereafter, with counties providing the difference. Conservation staffing grants are funded by DATCP with general purpose revenue (GPR) and segregated (SEG) revenue from the nonpoint account of the environmental fund. In 2019-20, grants are budgeted at \$3,027,200 GPR and \$6,411,900 nonpoint SEG.

The table summarizes county requests by funding tier for the 2019 and 2020 allocation cycles. In 2019-20, supporting staff costs during calendar year 2020, counties requested funding of \$12,804,300 and were awarded \$9,439,100. Thus, in its 2019-20 staffing allocation, DATCP had funding sufficient to provide each county's base allocation, their first position, and 49% of the cost of second positions (70% of its 70% cost-share amount). The attachment provides a list of funding requests and awards by county for the 2019-20 grant cycle.

TABLE 1
County Conservation Staffing Grant Requests

	2019		2020	
	Cost	Cumulative Total	Cost	Cumulative Total
Base	\$5,400,000	\$5,400,000	\$5,400,000	\$5,400,000
First Position	1,245,500	6,645,500	1,383,400	6,783,400
Second Position	3,526,000	10,171,500	3,788,200	10,571,600
Third Position	2,102,300	12,273,800	2,232,700	12,804,300

In 2018, the most recent year for which counties have reported staffing levels and use of grant awards, DATCP allocated \$9.0 million in awards to support approximately 114 full-time equivalent positions, of a total 365 positions reported by counties. Other funding for positions typically comes from county governments (211 positions) or other private or governmental grants (40 positions). It should be noted that DATCP has recently identified inconsistent reporting by counties with respect to the fund source of each position. Thus, the ratio of funding between state, county, and other sources should be considered approximate. The attachment lists staff levels by county in 2018.

County conservation staff are occasionally supported from sources beyond DATCP awards or county funding, including federal grants, Department of Natural Resources (DNR) grants, multi-discharger variance (MDV) payments from permitted wastewater dischargers, and private sources. Examples of federal grants may include those from the Environmental Protection Agency to support projects such as wetland restoration or storm water management, from the U.S. Fish and Wildlife Service to support projects such as fish habitat restoration and invasive species management, or from the Natural Resources Conservation Service to support projects such as development of conservation plans and nutrient management plans. DNR aquatic invasive species (AIS) grants occasionally provide funding to county conservation departments for AIS coordinator positions, which assist in implementation of DNR AIS grants and AIS control measures in a county. Under the MDV, municipal and industrial wastewater dischargers may provide funding to county conservation departments to conduct projects within the watershed of their discharge that reduce that reduce total phosphorous discharge to a watershed, in lieu of installing typically more expensive pollution elimination technology at a facility. Finally, county conservation departments may receive grants from nonprofits or other private sources, such as from the Fund for Lake Michigan or local watershed or conservation groups.

The Conservation Reserve Enhancement Program is a joint state-federal program under which

participating landowners voluntarily establish conservation practices on environmentally sensitive agricultural land near bodies of water. Practices seek to decrease erosion, restore wildlife habitat, and safeguard groundwater and surface water, while leaving most acreage in agricultural production. The program is funded from federal and state sources, with landowners receiving one-time incentive payments for enrollment in the program, annual land rental payments for the length of their easement, and 70% cost-share for installation of conservation practices.

SUMMARY OF BILL

AB 790/SB 723 would increase funding for county conservation staffing grants by \$2,960,900 GPR in 2020-21 on an ongoing basis, with funding first available during the fall 2020 grant allocation cycle to support staff in calendar year 2021. The bill would specify that DATCP may not award conservation staffing grants in 2020-21 to any county unless the county and DATCP enter into an agreement to maintain county conservation staffing levels at or above the average number of staff employed by that county in the two fiscal years preceding August 1, 2020. (As written, the bill would prevent DATCP from providing any county conservation staffing grant funding to a county that decreases its staff, including if those staff were funded by time-limited or project-specific federal or nonprofit grants that subsequently expired or were exhausted.) It should be noted this maintenance of effort clause would apply only to the 2020-21 grant cycle. The bill would also expand eligible county conservation staff activities to include promotion of, and assistance with enrollment in, the Conservation Reserve Enhancement Program.

FISCAL EFFECT

The bill would increase the total county conservation staffing grant allocation by \$2,960,900 GPR beginning in 2020-21 on an ongoing basis, for a total of \$12,400,000 annually (\$5,988,100 GPR and \$6,411,900 nonpoint SEG). If this amount had been available during the 2019-20 allocation cycle, DATCP would have been able to provide funding sufficient to fully fund each county's base amount and first and second position requests, as well as 41% of the cost of third position requests (82% of its 50% cost-share amount).

In 2019-20, the median second position, including salary and fringe benefits, cost \$82,000 and the median third position cost \$68,700. Counties' unmet requests during the 2019-20 allocation included \$1,132,500 in second position requests, and \$2,232,700 in third position requests, for a total of \$3,365,200. If applied to the unmet requests during the 2019-20 cycle, DATCP would have been able to fully fund its 70% match of the approximately 19.7 unfunded second positions, and fund its 50% match of an additional 53.2 third positions. Thus, it is estimated that an additional \$2,960,900 in county conservation staffing funding in 2019-20 would have allowed DATCP funding to support an additional 40.4 full-time equivalent staff at counties, with counties required to provide matching funding sufficient to support 32.5 full-time equivalent staff, for a total of approximately 72.9 additional staff in calendar year 2020.

TABLE 2**Estimated Additional Positions**

	<u>2020 Funded</u>	<u>Proposed Funding Bill</u>	<u>Difference</u>	<u>Median Position Cost</u>	<u>Additional Positions</u>		
					<u>DATCP Funded</u>	<u>County Funded</u>	<u>Total</u>
Base	\$5,400,000	\$5,400,000	\$0	N/A	N/A	N/A	N/A
First Position	1,383,400	1,383,400	0	\$92,400	N/A	N/A	N/A
Second Position	2,655,700	3,788,200	1,132,500	82,000	13.8	5.9	19.7
Third Position	<u>0</u>	<u>1,828,400</u>	1,828,400	68,700	<u>26.6</u>	<u>26.6</u>	<u>53.2</u>
Total	\$9,439,100	\$12,400,000			40.4	32.5	72.9

Note: Estimated additional positions represent how many would have been funded under the 2019-20 allocation cycle. Future allocation cycles are expected to fund fewer positions as costs increase over time.

This estimate of additional staff able to be supported by the proposed funding amount reflects funding requests under the 2019-20 allocation cycle, the most recent cycle for which requests have been made. Any future allocation would be expected to support less staff as costs increase over time. For example, the total DATCP cost to support a full cost-share of third positions would have been \$12,273,800 during the 2018-19 allocation cycle, which increased by \$530,500 (4.3%) in 2019-20. Further, staff costs may increase more quickly in the near term as conservation departments face more competition among counties to recruit conservation staff due to an influx in available funding statewide. Thus, the estimated 72.9 additional positions that would have been supported under the 2019-20 allocation cycle could be considered a maximum amount of additional positions possible under future allocations with the proposed funding increase.

It should be noted that county matching funds totaling at least \$2.7 million more than those required of counties in the most recent cycle would be required for DATCP to fully disburse the proposed additional funding under the bill. (This includes a 30% county match to funding under the bill estimate dedicated to second positions, and equal county match to funding anticipated to be allocated to third positions.) In 2018, a majority of counties (42) reported sufficient county-funded staff to fully meet DATCP matching requirements for third positions. Further, under the bill counties would not be eligible for grant funding in the 2020-21 state fiscal year unless they maintain or increase their staff levels relative to the prior two fiscal years. Thus, while the decision-making involved in each county's budget allocation process is not able to be anticipated for the purposes of this estimate, it is expected a majority counties will elect to provide sufficient match funding to meet DATCP requirements.

Prepared by: Rory Tikalsky
Attachment

ATTACHMENT

County Conservation Staffing -- 2020 Awards (2019-20 State Fiscal Year)

<u>County</u>	<u>2020 Requests</u>	<u>2020 Awards</u>	<u>2018 Staff</u>	<u>County</u>	<u>2020 Requests</u>	<u>2020 Awards</u>	<u>2018 Staff</u>
Adams	\$157,631	\$117,061	4.00	Marathon	\$211,054	\$144,015	7.70
Ashland	135,538	112,248	3.48	Marinette	187,032	130,327	4.39
Barron	190,520	131,582	3.75	Marquette	164,268	133,415	3.00
Bayfield	164,908	115,626	5.00	Menominee	75,000	75,000	2.00
Brown	214,696	153,004	9.55	Milwaukee	75,000	75,000	1.80
Buffalo	159,234	115,814	3.00	Monroe	151,525	115,582	4.00
Burnett	129,239	96,102	7.13	Oconto	194,969	142,662	5.00
Calumet	216,600	149,871	6.00	Oneida	118,030	99,771	3.72
Chippewa	258,197	183,659	8.00	Outagamie	246,670	178,579	12.43
Clark	190,605	136,301	4.00	Ozaukee	203,413	140,281	3.40
Columbia	193,638	121,244	6.00	Pepin	141,376	107,394	3.00
Crawford	148,597	108,509	3.00	Pierce	203,313	141,006	5.00
Dane	266,633	188,043	12.00	Polk	226,593	162,030	7.00
Dodge	203,517	145,929	5.50	Portage	208,091	148,425	5.00
Door	207,553	143,964	8.44	Price	109,621	92,390	1.90
Douglas	124,917	110,336	2.00	Racine	201,768	148,554	3.00
Dunn	251,488	179,594	8.00	Richland	133,224	98,903	4.00
Eau Claire	200,249	141,669	4.78	Rock	229,028	163,594	5.75
Florence	75,000	75,000	2.38	Rusk	131,826	112,153	4.00
Fond du Lac	225,583	158,787	8.00	St. Croix	187,688	143,558	7.75
Forest	125,240	102,969	2.10	Sauk	204,365	142,660	7.24
Grant	149,156	104,160	4.50	Sawyer	119,394	93,194	2.50
Green	194,618	143,560	4.00	Shawano	176,558	126,812	3.47
Green Lake	226,890	159,436	5.80	Sheboygan	210,114	152,280	5.00
Iowa	168,435	123,519	3.55	Taylor	162,785	119,171	3.00
Iron	129,244	108,529	3.25	Trempealeau	188,024	131,181	9.00
Jackson	148,250	131,124	2.00	Vernon	180,992	129,254	12.00
Jefferson	248,852	179,819	6.00	Vilas	173,898	125,100	3.00
Juneau	163,779	119,441	3.00	Walworth	207,623	144,868	7.00
Kenosha	156,002	133,255	1.66	Washburn	121,436	106,151	2.25
Kewaunee	206,229	149,985	7.50	Washington	187,671	136,558	8.00
Lacrosse	222,054	155,386	7.00	Waukesha	243,573	176,709	6.55
Lafayette	136,475	96,012	4.00	Waupaca	196,309	134,962	5.60
Langlade	107,454	92,890	3.00	Waushara	196,553	135,525	5.92
Lincoln	92,520	85,451	2.20	Winnebago	222,529	159,814	7.00
Manitowoc	230,291	158,309	5.00	Wood	193,153	144,034	4.98
				Total	\$12,804,298	\$9,439,100	364.92