



## Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #560

### **Waterway and Wetland Permitting (DNR --Water Quality)**

[LFB 2003-05 Budget Summary: Page 324, #1]

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#### **CURRENT LAW**

Under Chapter 30 of Wisconsin State Statutes, DNR is directed to charge a fee for carrying out duties related to the issuance of waterway and wetland permits based on the estimated time spent by the Department in reviewing, investigating, and making determinations whether to grant the permit or approval for a given activity.

#### **GOVERNOR**

Provide \$275,000 annually to fund limited-term employee (LTE) staff to assist in processing waterway and wetland permits for commercial and residential customers.

#### **DISCUSSION POINTS**

1. Waterway and wetland permits are required for proposed private uses of public waters adjacent to riparian lands, upland alterations that connect to, or are on the banks of, public waters, and alterations to wetlands. Examples of such projects include commercial marina facilities, private multi-boat mooring, pipelines crossing lake and stream beds, stormwater facilities, and large-scale grading, dredging, enlargements, and enclosures to create developable land.

2. Under the bill, expenditure authority would be provided to hire additional LTE staff to assist in the processing of waterway and wetland permits. The proposal is based on a pilot project conducted in DNR's northern region, where LTE staff (equivalent to 1.0 FTE) were temporarily reallocated to track permit requests as they were received, monitor the progress of the permits as they were reviewed, conduct preliminary site visits to collect information relevant to the approval of the permit, update and maintain mapping and data systems used to analyze permit applications, and

provide information to commercial and residential customers on the status of their permit applications. The Department found that the additional LTE staff were able to accomplish some duties previously undertaken by the water regulation and zoning engineers, allowing the more specialized staff to focus on the technical aspects of permit requests. As a result, the average time required to review and approve permits was decreased. During the time that the regional office was testing this procedure, it was able to reach a decision on 61% of its permits within 30 days of receiving them, while the other four regional offices completed 23% to 45% of their permit reviews within that same time period. While the number of permit applications per region vary, it appears that efficiencies could be realized by instituting this approach in each of the regional offices. The Department has cited this as an important factor in its ability to meet the anticipated demand for permits under the program without an increase in permanent staff resources. In addition, it is anticipated that customer service would be improved through the provision of LTE assistance in each region to serve as a point of contact for applicants with questions regarding application requirements or updates on the status of applications under review.

3. Under the bill, four LTEs (the equivalent of approximately one full-time water permit customer service and data staff person and one water permit field investigation staff person) would be provided for each of the five DNR regions. The LTE staff would be divided evenly between customer service duties (tracking permits, assisting applicants, and responding to inquiries regarding the status of permit applications) and field investigations (conducting preliminary site visits, mapping, and updating data systems).

4. The additional staff assistance provided would be funded by program revenue. Revenues (which are determined by the number of permit applications received) are not anticipated to significantly increase over the biennium; however, the program is expected to have a July 1, 2003, available balance of about \$300,000. It could be argued that increasing customer service to permit applicants and providing support to create efficiencies in the permit approval process is an appropriate use of resources generated by permit revenue. It appears the program could support \$137,500 each year of the 2003-05 biennium (one-half of the level included in the bill).

5. Alternatively, it may be argued that the benefits of improving the quality of customer service to residential and commercial permit applicants should be recognized regardless of the ability of that service to generate additional program revenues. From this perspective, it could be argued that one-half of the funding could be provided from water resources account SEG in order to support customer service duties performed by the LTEs on an ongoing basis (Alternative #3).

## **ALTERNATIVES**

1. Approve the Governor's recommendation to provide \$275,000 annually to fund limited-term employee (LTE) staff to assist in processing waterway and wetland permits for commercial and residential customers.

2. Provide \$137,500 PR annually to fund LTE staff to assist in processing waterway

and wetland permits (based on available revenues).

<u>Alternative 2</u>	<u>PR</u>
<b>2003-05 FUNDING</b> (Change to Bill)	- \$275,000

3. Provide \$137,500 PR and \$137,500 SEG from the water resources account of the conservation fund annually to fund LTE staff to assist in processing waterway and wetland permits.

<u>Alternative 3</u>	<u>PR</u>	<u>SEG</u>	<u>TOTAL</u>
<b>2003-05 FUNDING</b> (Change to Bill)	- \$275,000	\$275,000	\$0

4. Delete the provision.

<u>Alternative 4</u>	<u>PR</u>
<b>2003-05 FUNDING</b> (Change to Bill)	- \$550,000

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