

Fiscal Estimate — 2009 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 DG-34-10
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Subject
 Water Use Permitting and Public Participation

Fiscal Effect

State: No State Fiscal Effect
 Indeterminate

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 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
 Indeterminate

- | | |
|--|---|
| 1. <input checked="" type="checkbox"/> Increase Costs
<input checked="" type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 3. <input type="checkbox"/> Increase Revenues
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory |
| 2. <input type="checkbox"/> Decrease Costs
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 4. <input type="checkbox"/> Decrease Revenues
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory |

5. Types of Local Governmental Units Affected:

- | | | |
|--|--|--|
| <input checked="" type="checkbox"/> Towns | <input checked="" type="checkbox"/> Villages | <input checked="" type="checkbox"/> Cities |
| <input checked="" type="checkbox"/> Counties | <input checked="" type="checkbox"/> Others | <u>Water Utilities</u> |
| <input checked="" type="checkbox"/> School Districts | | <input checked="" type="checkbox"/> WTCS Districts |

Fund Sources Affected

GPR FED PRO PRS SEG SEG-S

Affected Chapter 20 Appropriations

20.370 (4)(ai)

Assumptions Used in Arriving at Fiscal Estimate

Rule Summary

This rule supports the implementation of 2007 Wisconsin Act 227 and the Great Lakes—St. Lawrence River Basin Water Resources Compact (Compact) by defining the process, requirements, and criteria for water use permitting in the Great Lakes Basin. Beginning on December 8, 2011, coverage under a general permit or an individual permit is required for all persons who withdraw water from the Great Lakes Basin in an amount that averages 100,000 gallons per day or more in any 30-day period. The rule establishes definitions, application information requirements, review time limits, required permit conditions, criteria for permit issuance, procedures for amending and terminating permits, and standards and procedures for public participation for the water use permitting program.

State Fiscal Effect

Annual Costs:

All costs that the Department will incur are the result of the Great Lakes Basin water use permitting requirements enacted in 2007 Wisconsin Act 227, and as amended in 2009 Wisconsin Act 28. These costs will be covered by the staffing and funding provided in 2009 Wisconsin Act 28.

Annual costs to the Department are expected to increase by an estimated \$236,300 for salary, supplies, travel, and related expenditures. This estimate is based upon the following expected costs associated with administering the new requirements:

- 1) Salary and fringe for 2.0 FTEs classified as Water Supply Specialist Advanced at an estimated cost of approximately \$183,040 [2,080 hours x \$44/hour (salary and fringe) x 2 FTE] and 0.5 FTE classified as Natural Resources Staff Specialist at an estimated cost of approximately \$45,760 [1,040 hours x \$44/hour (salary and fringe)]. The FTEs will provide outreach, develop information and education materials, review and issue permit decisions, conduct permit compliance, review reporting information, prepare summary reports and analysis, investigate complaints and non-compliance, and maintain the data system.

Long-Range Fiscal Implications

No long range fiscal implications are expected.

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

Fiscal Estimate — 2009 Session

Page 2 Assumptions Narrative Continued

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Bill Number	Administrative Rule Number DG-34-10

Assumptions Used in Arriving at Fiscal Estimate – Continued

2) Travel and supply costs of \$7,500 (\$3,000 x 2.5 FTE). The travel will include field investigations of permit applications, complaints and non-compliance, and travel associated with providing training and customer service to the regulated community.

One-Time Costs:

One time costs are estimated to be \$29,000. These costs are for developing necessary functions within an existing database and online system to accept permitting information. This includes computer contractor costs of \$7,000 (1 IS contractor @ 100 hours x \$70/hour) and DNR staff time at a cost of \$22,000 (500 hours x \$44/hour average salary and fringe). DNR staff time is required from an IS Systems Developer and Water Supply Specialist-Advanced.

Local Government Fiscal Impact

A. Existing Withdrawers

The new law provides for the automatic issuance of permits to most existing withdrawers therefore the initial fiscal impact is expected to be minimal. For existing withdrawers to obtain automatic issuance of a permit, they may be required to submit additional information to the Department in 2011. Submittal of the information is expected to take on average, less than 2 hours.

If a permitted withdrawer proposes to increase their permitted withdrawal amount, they will need to apply to the Department for a modification to their permit. The application preparation may require the hiring of a consultant. The costs for a consultant will vary depending on the size of the withdrawal and the potential impacts. Consultant costs are expected to range from \$5,000 to several times that amount.

There is little-to-no expected increase in annual costs. In most cases, the withdrawal measurement and annual reporting requirements are consistent with other existing Department requirements. For some individual water use permittees, there may be additional reporting requirements. The costs for the additional reporting requirements are expected to be minimal.

B. New Withdrawers

A person who proposes a new withdrawal in the Great Lakes Basin that averages 100,000 gallons per day or more in any 30 day-period will need to apply to the Department for a permit. The application preparation may require the hiring of a consultant. The costs for a consultant will vary depending on the size of the withdrawal and the potential impacts. Consultant costs are expected to range from \$5,000 to several times that amount.

There is little to no expected increase in annual costs. In most cases, the withdrawal measurement and annual reporting requirements are consistent with other existing Department requirements. For some individual water use permittees, there may be additional reporting requirements. The costs for the additional reporting requirements are expected to be minimal.

C. Public Participation

The permit process for some individual permits requires public participation. The applicant will be required to publish a class 1 notice in the local newspaper and deliver copies of the notice to interested persons. This cost is expected to range from \$25 to \$500.

Private Sector Fiscal Impact

The fiscal impacts on the private sector are expected to be the same as those for local units of government as set forth above.

Fiscal Estimate Worksheet — 2009 Session
 Detailed Estimate of Annual Fiscal Effect

Original Updated
 Corrected Supplemental

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Subject
 Water Use Permitting and Public Participation Rule

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			-
Local Assistance			-
Aids to Individuals or Organizations			-
Total State Costs by Category		\$	\$ -
B. State Costs by Source of Funds		Increased Costs	Decreased Costs
GPR		\$	\$ -
FED			-
PRO/PRS			-
SEG/SEG-S			-
State Revenues	Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)	Increased Revenue	Decreased Revenue
GPR Taxes		\$	\$ -
GPR Earned			-
FED			-
PRO/PRS			-
SEG/SEG-S			-
Total State Revenues		\$	\$ -

Net Annualized Fiscal Impact

	<u>State</u>	<u>Local</u>
Net Change in Costs	\$ _____	\$ _____
Net Change in Revenues	\$ _____	\$ _____

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