

ADMINISTRATIVE RULES Fiscal Estimate & Economic Impact Analysis

1. Type of Estimate and Analysis <input checked="" type="checkbox"/> Original <input type="checkbox"/> Updated <input type="checkbox"/> Corrected	2. Date 08/16/2018
3. Administrative Rule Chapter, Title and Number (and Clearinghouse Number if applicable) ss. NR 422.02, NR 422.142, and NR 422.143. Clearinghouse Rule 18-067	
4. Subject This rule making action is to clarify and streamline the existing Wisconsin Administrative Code requirements for lithographic printing facilities.	
5. Fund Sources Affected <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	6. Chapter 20, Stats. Appropriations Affected NA
7. Fiscal Effect of Implementing the Rule <input checked="" type="checkbox"/> No Fiscal Effect <input 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	
8. The Rule Will Impact the Following (Check All That Apply) <input 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 (if checked, complete Attachment A)	
9. Estimate of Implementation and Compliance to Businesses, Local Governmental Units and Individuals, per s. 227.137(3)(b)(1). \$Less than \$50,000 per year (minimal impact level)	
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)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
11. Policy Problem Addressed by the Rule Both NR 422.142 (Part 1) and NR 422.143 (Part 2) regulate Volatile Organic Compound (VOC) emissions from lithographic printing facilities located in the nine counties in southeast Wisconsin (Kenosha, Kewaunee, Manitowoc, Milwaukee, Ozaukee, Racine, Sheboygan, Washington, and Waukesha). The Department of Natural Resources (the department) received feedback that the two-part organizational structure of the current rule creates potential confusion in the application of the rules. The proposed rule changes will clarify and streamline the requirements for the lithographic printing facilities located in these nine counties.	
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. The department has contacted all the lithographic printing facilities in Wisconsin, league of Wisconsin Municipalities, and Wisconsin Counties Association for comments. Other entities that may have an interest in the economic impacts of the proposed rule include organizations that represent business in the state including the Small Business Environmental Council, the Printing Council, Wisconsin Manufacturers and Commerce, Wisconsin Paper Council, and the American Council of Engineering Companies of Wisconsin. In addition, the Air Management Study Group, the Air Program's stakeholder working group, may be interested in the economic impacts of this proposed rule. This group includes members representing Clean Wisconsin, Sierra Club, environmental law attorneys, utilities, and representatives of large and small businesses. The department contacted all these entities, and others, for information on the economic impacts of the proposed rule changes. The department sent a draft of this fiscal estimate and economic impact analysis (EIA) to the parties mentioned above for comments. The comment period was from July 31, 2018 through August 14, 2018. The department did not receive any comment on this EIA.	

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13. Identify the Local Governmental Units that Participated in the Development of this EIA.

No governmental units provided information or requested participation in development of this EIA.

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)

(A) Fiscal Impact on Lithographic Printing Facilities:

The purpose of this rulemaking action is to clarify and streamline existing requirements for lithographic printing facilities. It does not impose new emission limitations on these sources. The current rules apply only to lithographic printing facilities located in nine counties in southeast Wisconsin (Kenosha, Kewaunee, Manitowoc, Milwaukee, Ozaukee, Racine, Sheboygan, Washington, and Waukesha). However, the proposed changes will not affect the operation of any existing lithographic printing facilities in these counties. Therefore, there is no negative economic impact on these facilities. Lithographic printing facilities subject to these rules may have reduced compliance costs due to the clarifications of the rule, as well as the removal of the requirement to conduct periodic stack tests (every 48 months) for the facilities with allowable VOC emissions less than 100 tons per year.

(B) Fiscal Impacts on the Department's Air Management Program:

The proposed rule will not impose new emission limits or more stringent compliance requirements. Therefore, no additional costs are expected for implementing the revised rules. The proposed rules may result in cost savings for the Air Management Program since there will be fewer stack test plans and reports to witness and/or review.

(C) Economic Impacts on Local Governments and Public Entities

The department does not anticipate that local governments and public entities will be economically impacted by the implementation of the proposed rules.

15. Benefits of Implementing the Rule and Alternative(s) to Implementing the Rule

The proposed rule changes will provide clearer rule language for determining applicability and demonstrating compliance. In addition, the proposed changes eliminate the periodic stack testing requirements for some sources. This will provide cost savings for both the lithographic printing facilities and the department.

16. Long Range Implications of Implementing the Rule

The department does not anticipate any adverse long term fiscal or economic implications to implementing the rule.

17. Compare With Approaches Being Used by Federal Government

There are no existing or proposed federal statutes or regulations for lithographic printing operations. The U.S. Environmental Protection Agency (EPA) published Control Techniques Guidelines (CTG) to follow when including reasonably available control technology rules in state implementation plans to fulfill the requirements for attainment planning. With the proposed rule change, section NR 422.143, Wis. Adm. Code, will be consistent with the latest CTG for Offset Lithographic Printing and Letterpress Printing, published by EPA in 2006.

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

There are no specific state rules for lithographic printing operations for the states of Iowa, Michigan, and Minnesota because these states do not have ozone nonattainment areas that are required to apply RACT requirements to lithographic printing operations. The state of Illinois includes similar requirements for lithographic printing operations (Title 35, Section 219.405 through 219.411) to the requirements in s. NR 422.143, Wis. Adm. Code. These requirements are based on EPA's 2006 CTG and are included in Illinois state rules because, like Wisconsin, Illinois is required to apply RACT

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to the lithographic printing operations in certain ozone nonattainment areas.

19. Contact Name

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20. Contact Phone Number

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ATTACHMENT A

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)

The department anticipates no additional compliance costs for the affected printing facilities. The department anticipates savings for small business due to the removal of the requirement to conduct periodic stack tests every 48 months for small lithographic printing facilities. Currently, there are 5 small lithographic printing facilities that are required to perform periodic stack tests. The saving is estimated to be \$10,000 per test.

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

N/A

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:

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

The proposed rule eliminates confusing language and removes the periodic stack test requirements for small lithographic printing facilities.

5. Describe the Rule's Enforcement Provisions

Enforcement provisions are not included in the subsections of the rule affected by the proposed order. These provisions are located in other portions of administrative rule not proposed for revision in this rule order.

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

- Yes No
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