

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 06/30/2017
3. Administrative Rule Chapter, Title and Number (and Clearinghouse Number if applicable) TRANS 58	
4. Subject Active Surveying Reference Station System	
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 s.20.395(3)(jg); Appropriation 340
7. Fiscal Effect of Implementing the Rule <input type="checkbox"/> No Fiscal Effect <input checked="" type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Increase Costs <input type="checkbox"/> Indeterminate <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Could Absorb Within Agency's Budget <input type="checkbox"/> Decrease Cost	
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 checked="" type="checkbox"/> Local Government Units <input type="checkbox"/> Public Utility Rate Payers <input checked="" type="checkbox"/> Small Businesses (if checked, complete Attachment A)	
9. Would Implementation and Compliance Costs Be Greater Than \$20 million? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
10. Policy Problem Addressed by the Rule 2013 WI Act 20, the 2013-15 Biennial Budget Act, created § 85.63, Stats. which directs the Department to administer a Surveying Reference Station System program consisting of all of the following: (a) a Passive System consisting of a network of monuments located throughout the state that are used to generate latitude, longitude and elevation data; and (b) an Active Surveying Reference Station System consisting of reference stations statewide that continuously transmit global navigation satellite system (GNSS) data to a system server and the server that processes the data received from the reference stations. The purpose of the Surveying Reference Station System is to make elevation data available to governments, businesses, agricultural users and members of the public in the design, construction and maintenance of highways and related infrastructure, in tracking groundwater and surface water movement, for precise agricultural positioning, and in mapping. Use of the Surveying Reference Station System improves the accuracy of surveying by establishing "heights" using GNSS technology and modern remote sensing methods. Section 85.63(2), Stats. authorizes the Department to charge a fee for providing access to the Active Surveying Reference Station System and directs that the fee be established by rule. It provides no direction as to how the fee should be structured. This fee is called the Active Surveying Reference Station System User Fee.	
11. 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. Users of the Active Surveying Reference Station System include the Department and a variety of other state and local governments, educational institutions and private businesses. The Active Surveying Reference Station System is used in the design, construction and maintenance of highways and related infrastructure, in tracking groundwater and surface water movement, for precise agricultural positioning, and in mapping. There are over 3,000 registered users which are categorized as follows: 22% agricultural-related businesses; 12% construction-related businesses; 1% education/research related entities; 53% engineering/surveying businesses; 7% that use the system for GIS mapping; and 5% other.	

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An Active Surveying Reference Station System Stakeholder Questionnaire was sent via email to all registered users on February 2, 2016. The goal and objective of the questionnaire was to gain stakeholder feedback to help the Department decide how to administer a user fee. The questionnaire listed a deadline of February 26, 2016 for stakeholder feedback to be considered and that stakeholder views and opinions were strictly informational. Over 350 completed questionnaires were submitted to the Department before the deadline.

In general, state and federal government respondents indicated that they should receive an exemption as well as higher education institution respondents. Conversely, it was the opinion of private entities that everyone including state and federal government should pay a user fee. Most respondents did not agree on a flat annual fee as the Department had initially proposed. A high percentage of respondents preferred an organizational rate for companies with multiple users. Most respondents were concerned regarding the Department's inability to readily accept credit card payments. The vast majority of respondents stated that expectations will change once the user fee is implemented. Overall, respondents averaged an Active Surveying Reference Station System satisfaction rating of 8.74 where 10 was 'very satisfied' and 1 was 'not satisfied.'

A recurring concern was that the user fee will be deposited in the General Fund or diverted to other political interests and will not be used to maintain the Active Surveying Reference Station System. However, due to the provisions of 2013 Act 20 that create an appropriation in s. 20.395(3)(jg), Stats. for all moneys received under s. 85.63(2), Stats. will be used for operation costs of the Active Surveying Reference Station System, this concern has already been addressed by the Legislature.

An Active Surveying Reference Station System Stakeholder Meeting was held on December 8, 2015 at the Department Truax Materials Lab in Madison and on January 27, 2017 at the Kalahari Convention Center in Wisconsin Dells. Thirty attendees were present at the meeting held in Madison and 220 attendees were present including 40 participating via teleconference at the meeting in Wisconsin Dells.

In general, stakeholders agreed with the proposed subscription rates. Stakeholders were concerned about the proposed system monitoring hours of 8:00 am to 4:30 pm, Monday through Friday excluding state holidays because many of them work early in the morning, late at night and on the weekends. Stakeholders were also concerned that the user fee will not be used to maintain the Active Surveying Reference Station System. The overall largest concern was the increased user expectation that will come in conjunction with user fee implementation.

12. Identify the local governmental units that participated in the development of this EIA.
None

13. 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)

In order to maintain the functionality of the Active Surveying Reference Station System, it requires cyclical maintenance, service, update and/or replacement of equipment, hardware and software on an annual basis.

The Department has estimated the cost to maintain the Active Surveying Reference Station System annually is approximately \$355,000 including an annual bill system resource (\$49,500 per year). The proposed Active Surveying Reference Station System User Fee is intended to provide adequate funding for continuous operation and shall be utilized to maintain and replace equipment and software.

The following Active Surveying Reference Station System components are included in the annual maintenance cost estimation: GNSS receiver replacements and firmware updates (\$173,500 per year), disruption or destruction of infrastructure (\$40,000 per year), server and software upgrades (\$59,000 per year), replacement of telecommunication

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equipment (\$17,500 per year) and repair of equipment (\$15,000 per year).

14. Benefits of Implementing the Rule and Alternative(s) to Implementing the Rule
Provide adequate funding for continuous Active Surveying Reference Station System operation.

15. Long Range Implications of Implementing the Rule

The intent of the proposed Active Surveying Reference Station System User Fee is to provide adequate funding for continuous operation. The proposed User Fee is not intended to recuperate any public funds already spent on Active Surveying Reference Station System development. If the Department did not support the Active Surveying Reference Station System, it would either no longer function or it would be replaced by a privately-run surveying reference system. Either alternative would be much more costly to providers of surveying services than the current system.

16. Compare With Approaches Being Used by Federal Government

Data is shared from multiple agencies throughout the world, including the Department, to the National Continuously Operating Reference System Network that is managed by the National Geodetic Survey, an office of NOAA's National Ocean Service. There is no fee to access data in the National Continuously Operating Reference Station Network. Data from the National Continuously Operating Reference Station Network is historical data; this data cannot be used to provide real time corrections such as those provided by the Active Surveying Reference Station System.

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

Data sharing among these states is to provide better positioning solutions along the border of Wisconsin, Minnesota, Iowa and Michigan. These states do not charge an Active Surveying Reference Station System User Fee for their data. A Memorandum of Agreement (MOA) is under development between Minnesota DOT, Iowa DOT and Michigan DOT stating that each entity shall have access and share data information received from their respective states at shared border locations. One free license shall be granted to each state to access the Active Surveying Reference Station System. Shared data is limited to data from Active Surveying Reference Station System infrastructure near the borders of each state.

18. Contact Name

Steven Krebs

19. Contact Phone Number

608-220-2278

This document can be made available in alternate formats to individuals with disabilities upon request.

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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)

There will be a yearly subscription rate of: Individual Rate of \$300 per subscriber year; Organizational Rate of \$300 per year for the first 5 subscribers in the organization + \$150 per subscriber per year for additional subscribers. There will also be a monthly subscription rate of \$50 per subscriber per month.

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

An Active Surveying Reference Station System Stakeholder Questionnaire was sent via email to all registered users on February 2, 2016. The goal and objective of the questionnaire was to gain stakeholder feedback to help the Department decide how to administer a user fee. The questionnaire listed a deadline of February 26, 2016 for stakeholder feedback to be considered and that stakeholder views and opinions were strictly informational. Over 350 completed questionnaires were submitted to the Department before the deadline.

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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

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Other, describe:

If the Department did not support the Active Surveying Reference Station System, it would either no longer function or be replaced by a privately-run surveying reference system. Either alternative would be much more costly to providers of surveying services than the current system. For even a a very small business, such as a self-employed individual, these costs are not a significant economic impact.

The Department proposed reduced subscriber costs for all users including small businesses by only implementing a User Fee for Active Surveying Reference Station System maintenance. The proposed User Fee is not intended to recuperate any public funds already spent on Active Surveying Reference Station System development.

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

If the Department did not support the Active Surveying Reference Station System, it would either no longer function or it would be replaced by a privately-run surveying reference system. Either alternative would be much more costly to providers of surveying services than the current system. For even a a very small business, such as a self-employed individual, these costs are not a significant economic impact.

5. Describe the Rule's Enforcement Provisions

Not applicable.

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

Yes No
