

## ADMINISTRATIVE RULES Fiscal Estimate & Economic Impact Analysis

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1. Type of Estimate and Analysis

Original    Updated    Corrected

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2. Administrative Rule Chapter, Title and Number

Chapter NR 600 Series WA-06-17

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3. Subject

Proposed rules related to the generation, transportation, recycling, treatment, storage, and disposal of hazardous waste, universal waste, pharmaceuticals, and used oil.

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4. Fund Sources Affected

GPR    FED    PRO    PRS    SEG    SEG-S

5. Chapter 20, Stats. Appropriations Affected

NA

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6. Fiscal Effect of Implementing the Rule

No Fiscal Effect    Increase Existing Revenues    Increase Costs  
 Indeterminate    Decrease Existing Revenues    Could Absorb Within Agency's Budget  
 Decrease Cost

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7. The Rule Will Impact the Following (Check All That Apply)

State's Economy    Specific Businesses/Sectors  
 Local Government Units    Public Utility Rate Payers  
 Small Businesses (if checked, complete Attachment A)

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8. Would Implementation and Compliance Costs Be Greater Than \$20 million?

Yes    No

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9. Policy Problem Addressed by the Rule

The department, to meet the statutory requirement to maintain authorization of the federal hazardous waste program in WI, must adopt rules at least equivalent to EPA's RCRA regulations. These rule revisions primarily focus on EPA rules promulgated between 2013 and 2018, and are referred to (within this document) by the letters designated in the board order analysis description.

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10. 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 proposed rules affect hazardous waste generators, transporters, and receiving facilities including auto manufacturing, healthcare, printing sector, import/export of hazardous waste, and legitimate recycling entities.

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11. Identify the local governmental units that participated in the development of this EIA.

The department solicited comments on the FE/EIA from April 9 to May 9, 2019. No governmental units submitted comments.

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12. 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)

We anticipate the economic and fiscal impact of this rule to be moderate. We anticipate a compliance cost increase between \$334,785 to \$617,785 per year. A substantial part of these rules presents flexibility of compliance in the existing rule and reduces the burden of entities affected by this rule. We estimate that this rule will save entities impacted by this rule approximately between \$840,533 to \$2,146,805.00 per year (Economic Benefit).

Federal rules require an economic impact analysis for promulgation, and the majority of these changes were deemed by federal analysis to cause "minimal impact, with little or no change in market prices or production." Additionally, several are classified as "paperwork reductions" with minimal "new information collection burdens," and several are relaxations of regulations, which will result in either direct (decreased regulatory costs) or indirect (administrative time savings) cost savings for businesses and entities in affected business sectors. Several of the federal changes were promulgated under the authority of RCRA as amended by the Hazardous and Solid Waste Amendments of 1984 (HSWA).

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Regulations promulgated under HSWA are immediately effective in all states, regardless of state authorization status and entities and businesses in affected sectors have already implemented required changes. Therefore, any economic impacts associated with HSWA-related rules have already been incurred and no additional economic impact is expected when codified in Wisconsin administrative rules.

A summary of the economic impacts (benefit and cost) of this rule are presented below. A detailed assessment of cost and benefits are presented in the attached table (See the attached table for supporting information).

We anticipate that there will be cost savings to facilities impacted by the following sections of the rule. (B,J,N,Q,R). The cost savings are related to decreased administrative (paperwork) costs and streamlined permitting processes provided in some sections. The estimated cost savings to impacted facilities for each section are as follows:

- B – cost savings estimate for high volume generators: \$10,000/year (per qualified generator)
- J – cost savings estimate total (across all impacted entities): \$420,000 - \$1.44 million / year
- N – potential (voluntary option) cost savings estimate total for generators: \$10,200 - \$17,640 / year
- Q – cost savings estimate total (across all impacted entities): \$34,000 - \$260,000 / year
- R – cost savings estimate total (across impacted entities): \$366,333 - \$429,165 / year

We do not anticipate any additional compliance cost increase with the implementation of the following sections of the rule:

A, E, F, G, H, I, K, L, M, O, and P

The following sections of the rule are anticipated to increase the compliance cost of impacted facilities. Estimated cost increase to impacted facilities for each section are as follows:

- C – cost increase estimate total (for all impacted entities): \$2500/year and \$785/year
- D - cost increase estimate total (for all impacted entities): \$2000 / year
- N – estimated cost increase across all impacted generators: \$206,500- \$465,500
- R – cost increase estimate total (across all impacted entities): \$123,000 - \$149,000 / year

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

Several of the changes included in this rule are relaxations of regulations (B, E, F, J, K, L, Q, and R) - and were found to result in minor cost savings to affected entities and businesses through decreased administrative (paperwork) costs and streamlined permitting processes. The Generator Improvement Rules amend the existing hazardous waste generator regulatory program by: reorganizing the hazardous waste generator regulations to make them more user-friendly and thus improve their usability by the regulated community; providing a better understanding of how the RCRA hazardous waste generator regulatory program works; addressing gaps in the existing regulations to strengthen environmental protection; providing greater flexibility for hazardous waste generators to manage their hazardous waste in a cost-effective and protective manner; and making technical corrections and conforming changes to address inadvertent errors and remove obsolete references to programs that no longer exist. Most provisions are equivalent to or less stringent than the existing state rules, and most provisions are required to be adopted in order to maintain program authorization.

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### 14. Long Range Implications of Implementing the Rule

The long range implications of this rule are the same as the short range implications. The proposed changes will make Wisconsin rules consistent with federal rules. Most provisions are equivalent to federal rule and most

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provisions are required to be adopted in order to maintain program authorization.

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15. Compare With Approaches Being Used by Federal Government

The proposed changes will make Wisconsin rules consistent with federal rules. Most provisions are equivalent to or less stringent than existing rules, and most provisions are required to be adopted in order to maintain program authorization.

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

Iowa is not authorized to implement a hazardous waste program, and as a result they are not required to adopt these changes. Illinois, Michigan, and Minnesota are all adopting similar rules to reflect the federal changes. The Board Order Analysis contains a detailed comparison.

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17. Contact Name

Andrea Keller, Section Chief – Hazardous Waste Prevention and Management

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18. Contact Phone Number

608-267-3132

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

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### ATTACHMENT A

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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)

Major parts of this rule, if not all of the rule, will impact small business. Identifying which entities are impacted by this rule as defined by Wisconsin statute s. 227.114. is not possible. The number of employees and gross revenue of these entities (employs 25 or fewer full-time employees or which has gross annual sales of less than \$5,000,000) as described by Wisconsin statute s. 227.114 are unknown.

Assuming all entities impacted by this rule are small businesses, we anticipate that the economic and fiscal impact of this rule will be moderate. We anticipate a compliance cost increase between \$334,785 to \$617,785 per year. A substantial part of these rules presents flexibility of compliance in the existing rule and reduces the burden of entities affected by this rule. We estimate that this rule will save entities impacted by this rule approximately between \$840,533 to \$2,146,805.00 per year (Economic Benefit).

Federal rules require an economic impact analysis for promulgation, and the majority of these changes were deemed by federal analysis to cause "minimal impact, with little or no change in market prices or production." Additionally, several are classified as "paperwork reductions" with minimal "new information collection burdens," and several are relaxations of regulations, which will result in either direct (decreased regulatory costs) or indirect (administrative time savings) cost savings for businesses and entities in affected business sectors. Several of the federal changes were promulgated under the authority of RCRA as amended by the Hazardous and Solid Waste Amendments of 1984 (HSWA).

Regulations promulgated under HSWA are immediately effective in all states, regardless of state authorization status and entities and businesses in affected sectors have already implemented required changes.

See the attached table for supporting information.

Estimated cost savings to impacted facilities:

- B – cost savings estimate for high volume generators: \$10,000/year (per qualified generator)
- J – cost savings estimate total (across all impacted entities): \$420,000 - \$1.44 million / year
- N – potential (voluntary option) cost savings estimate total for generators: \$10,200 - \$17,640 / year
- Q – cost savings estimate total (across all impacted entities): \$34,000 - \$260,000 / year
- R – cost savings estimate total (across impacted entities): \$366,333 - \$429,165 / year

Determined to be no cost increase with implementation:

A, E, F, G, H, I, K, L, M, O, and P

Estimated cost increase to impacted facilities:

- C – cost increase estimate total (for all impacted entities): \$2500/year and \$785/year
- D - cost increase estimate total (for all impacted entities): \$2000 / year
- N – estimated cost increase across all impacted generators: \$206,500- \$465,500
- R – cost increase estimate total (across all impacted entities): \$123,000 - \$149,000 / year

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

Federal Register economic impact analysis, NAICS codes (industry representation in WI), disposal rates (from WI licensed treatment, storage and disposal facilities).

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3. Did the agency consider the following methods to reduce the impact of the Rule on Small Businesses?

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- 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:

The department, to meet the statutory requirement to maintain authorization of the federal hazardous waste program in WI, must adopt rules at least equivalent to EPA's RCRA regulations. This strictly limits the agency's authority to modify or reduce requirements.

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

Several of the changes included in this rule are relaxations of regulations (B, E, F, J, K, L, Q, and R) - and were found to result in minor cost savings to affected entities and businesses through decreased administrative (paperwork) costs and streamlined permitting processes. The Generator Improvement Rules amend the existing hazardous waste generator regulatory program by: reorganizing the hazardous waste generator regulations to make them more user-friendly and thus improve their usability by the regulated community; providing a better understanding of how the RCRA hazardous waste generator regulatory program works; addressing gaps in the existing regulations to strengthen environmental protection; providing greater flexibility for hazardous waste generators to manage their hazardous waste in a cost-effective and protective manner; and making technical corrections and conforming changes to address inadvertent errors and remove obsolete references to programs that no longer exist. Most provisions are equivalent to or less stringent than existing state rules, and most provisions are required to be adopted in order to maintain program authorization.

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5. Describe the Rule's Enforcement Provisions

Enforcement of the administrative rules will follow the department's stepped enforcement procedures

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

- Yes     No

See the attached table for supporting information.

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