

Fiscal Estimate - 2005 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 05-3718/2	Introduction Number AB-850
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Description
 The regulation of certain wharves, piers, boat shelters, boat hoists, and boat lifts

Fiscal Effect

State:

<input type="checkbox"/> No State Fiscal Effect	<input type="checkbox"/> Increase Existing Revenues	<input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<input type="checkbox"/> Indeterminate	<input type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Decrease Costs
<input type="checkbox"/> Decrease Existing Appropriations		
<input type="checkbox"/> Create New Appropriations		

Local:

<input checked="" type="checkbox"/> No Local Government Costs	5. Types of Local Government Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts	
<input type="checkbox"/> Indeterminate		
1. <input type="checkbox"/> Increase Costs	3. <input type="checkbox"/> Increase Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
2. <input type="checkbox"/> Decrease Costs	4. <input type="checkbox"/> Decrease Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	

Fund Sources Affected	Affected Ch. 20 Appropriations
<input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	20.370(4)(ma), (4)(mu)

Agency/Prepared By DNR/ Joe Polasek (608) 266-2794	Authorized Signature Joe Polasek (608) 266-2794	Date 12/15/2005
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Fiscal Estimate Narratives

DNR 12/15/2005

LRB Number	05-3718/2	Introduction Number	AB-850	Estimate Type	Original
Description The regulation of certain wharves, piers, boat shelters, boat hoists, and boat lifts					

Assumptions Used in Arriving at Fiscal Estimate

Bill Summary:

AB 850 modifies the existing statutory exemption for piers, by allowing a second boat slip formula where a riparian property can have one boat slip for each dwelling unit. AB 850 also creates a new exemption from permitting for all piers, boat shelters, boat hoists or boat lifts permanently placed on or before February 6, 2004, or seasonally placed four of the five years preceding 2004.

Fiscal Impact:

This fiscal estimate makes the following assumptions--

A. Assumes one-time rulemaking to implement the statutory changes in AB 850. In the Department's experience, rulemaking on piers requires a significant amount of public input and process. The estimate assumes rulemaking will require stakeholder involvement, public information forums, public hearings, Natural Resources Board briefings, and brochure/form/web page development. This will involve approximately 2500 staff hours at \$30/hour salary, for a total of \$75,000.

B. Assumes one-time increase in workload to process Exemption Determination Requests. An estimated 5% of existing pier owners will be uncertain about whether their pier qualifies for one of the statutory exemptions, and will submit an Exemption Determination Request (EDR) to DNR to get this certainty. Wisconsin has an estimated 186,984 piers, so this will result in 9,349 EDRs. No fee is required for an Exemption Determination, but each EDR takes an average 1 hour of staff time to process, at an average \$28.00/hour salary. One-time costs are anticipated to be \$261,778 for this workload, with no corresponding revenue.

C. Assumes ongoing increase in complaints and enforcement. Complaints and enforcement are expected to increase over time, as property owners are unclear about which exemption standards apply to them, and as neighbors, concerned citizens and Department observe oversized piers or other structures and cannot easily determine whether the structures are exempt. The number of pier cases requiring investigation and enforcement is estimated to be 50/year. Each enforcement case will take an estimated 40 staff hours at an average \$28.00/hour salary. Therefore, ongoing enforcement costs are anticipated to be \$56,000 per year.

D. Assumes ongoing increase in fisheries surveys and habitat projects. Higher pier and boat densities allowed by AB 850 (one boat slip per dwelling unit) will have cumulative adverse impacts on fish and aquatic life in Wisconsin lakes and rivers. Spawning and nursery habitat critical to fish reproduction may be lost, and lakes with moderate development and increasing development pressure will be most vulnerable. Department staff will have ongoing increased costs for fisheries surveys and monitoring to evaluate these impacts of increased pier and boat densities. Increased costs will also result from the habitat restoration, fish stocking and other approaches needed to address the impacts and maintain healthy fisheries. It is difficult to predict the number or frequency of lakes that will experience these impacts, or the appropriate management tools needed to restore healthy fisheries. For the purposes of this estimate, it is assumed that one lake/year of average 400-acres in size will require additional survey work and fish restocking. A typical survey for a lake of this size involves \$1200 in equipment and travel expenses; 108 LTE hours @ \$20/hour; and 156 permanent staff hours @ \$30/hour, for a grand total of \$8,040. Restocking walleye requires 35 - 2-inch fingerlings/acre x 400 acres = 14,000 fingerlings. It costs the Department \$5.95/pound to produce fingerlings, and there are 430 fingerlings/pound, so total reproduction costs for restocking one lake for one year is \$194. Survey work and restocking one lake for one year results in increased annual costs of \$8,234, which does not include the costs of restocking the same lake in future years. No revenue will be associated with this increased workload and costs.

In total, the Department anticipates one-time costs of \$336,800 to implement AB 850. Ongoing costs are anticipated to increase by \$64,300 annually. No one-time or ongoing revenue is anticipated.

Long-Range Fiscal Implications

The number of enforcement cases and the time and resources required to investigate them are both likely to increase each year at an indeterminate rate since as times goes on, it will be more and more difficult for anyone to determine or prove that a structure originally existed prior to February 2004.

Fiscal Estimate Worksheet - 2005 Session

Detailed Estimate of Annual Fiscal Effect

Original

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LRB Number 05-3718/2		Introduction Number AB-850	
Description The regulation of certain wharves, piers, boat shelters, boat hoists, and boat lifts			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): One-time costs of \$336,800. No one-time revenues.			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes	\$62,900		
(FTE Position Changes)			
State Operations - Other Costs	1,400		
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category	\$64,300		\$
B. State Costs by Source of Funds			
GPR	64,300		
FED			
PRO/PRS			
SEG/SEG-S			
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)			
	Increased Rev	Decreased Rev	
GPR Taxes	\$	\$	
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
TOTAL State Revenues	\$	\$	
NET ANNUALIZED FISCAL IMPACT			
	State	Local	
NET CHANGE IN COSTS	\$64,300	\$	
NET CHANGE IN REVENUE	\$	\$	
Agency/Prepared By		Authorized Signature	Date
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