

### Fiscal Estimate - 2011 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> 11-2105/1	<b>Introduction Number</b> AB-0159	
<b>Description</b> The regulation of indirect sources of air pollution and the suspension of a rule promulgated by the Department of Natural Resources		
<b>Fiscal Effect</b>		
<b>State:</b>		
<input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input checked="" type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input checked="" type="checkbox"/> Decrease Costs		
<b>Local:</b>		
<input type="checkbox"/> No Local Government Costs <input checked="" type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs      3. <input type="checkbox"/> Increase Revenue <b>5. Types of Local Government Units Affected</b> <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input checked="" type="checkbox"/> Towns <input checked="" type="checkbox"/> Village <input checked="" type="checkbox"/> Cities 2. <input checked="" type="checkbox"/> Decrease Costs      4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts		
<b>Fund Sources Affected</b>		
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input checked="" type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.370 (2) (ci)		
<b>Affected Ch. 20 Appropriations</b>		
<b>Agency/Prepared By</b>	<b>Authorized Signature</b>	<b>Date</b>
DNR/ Joe Polasek (608) 266-2794	Joe Polasek (608) 266-2794	6/17/2011

**Fiscal Estimate Narratives**  
**DNR 6/17/2011**

LRB Number	<b>11-2105/1</b>	Introduction Number	<b>AB-0159</b>	Estimate Type	<b>Original</b>
<b>Description</b> The regulation of indirect sources of air pollution and the suspension of a rule promulgated by the Department of Natural Resources					

**Assumptions Used in Arriving at Fiscal Estimate**

Under current law, the Department of Natural Resources (DNR) issues permits for certain stationary sources of air pollution. The current definition of "stationary source" includes facilities that indirectly emit air pollution. DNR has promulgated

rules that require permits for certain indirect sources of air pollution, including certain parking lots and highways. Some of the requirements that apply to other stationary sources do not apply to indirect sources.

The bill prohibits the DNR from requiring air pollution control permits for indirect sources.

**State Fiscal Effect**

Elimination of NR 411, Wis. Adm. Code, would result in decreased state revenues from the elimination of permit fees. During fiscal years 2007 through 2010, the DNR processed 29 indirect source air permits with fees ranging from \$275 to \$11,250 and an average fee per project of \$5,950. Therefore, the Department estimates that the bill will reduce annual permit revenue by \$43,200 [(29 permits/4 years) x \$5,950].

The bill would also reduce Department costs. From fiscal years 2007 through 2010, the Department incurred average costs of \$46,000 annually associated with the review of indirect source air permits.

Additional cost reductions may be realized by other state agencies that would be required to obtain indirect source permits (e.g., DOT highway projects).

**Local Government Fiscal Effect**

The Department estimates that the bill will result in an indeterminate reduction in costs to local units of government due to the elimination of the screening level analysis for local highway projects.

**Private Sector Fiscal Effect**

Elimination of NR 411, Wis. Adm. Code, will reduce costs to businesses and developers by an indeterminate amount as a result of a reduction in permit fees, the cost to develop an indirect source permit application, including consultant fees, traffic modeling and documentation and possible legal fees.

**Long-Range Fiscal Implications**

## Fiscal Estimate Worksheet - 2011 Session

Detailed Estimate of Annual Fiscal Effect

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<b>Description</b> The regulation of indirect sources of air pollution and the suspension of a rule promulgated by the Department of Natural Resources			
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>			
<b>II. Annualized Costs:</b>		<b>Annualized Fiscal Impact on funds from:</b>	
		Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>			
	State Operations - Salaries and Fringes	\$	\$-46,000
	(FTE Position Changes)		
	State Operations - Other Costs		
	Local Assistance		
	Aids to Individuals or Organizations		
	<b>TOTAL State Costs by Category</b>	<b>\$</b>	<b>\$-46,000</b>
<b>B. State Costs by Source of Funds</b>			
	GPR		
	FED		
	PRO/PRS		-46,000
	SEG/SEG-S		
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>			
		Increased Rev	Decreased Rev
	GPR Taxes	\$	\$
	GPR Earned		
	FED		
	PRO/PRS		-43,200
	SEG/SEG-S		
	<b>TOTAL State Revenues</b>	<b>\$</b>	<b>\$-43,200</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>			
		<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS		\$-46,000	\$
NET CHANGE IN REVENUE		\$-43,200	\$
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	<b>Date</b>
DNR/ Joe Polasek (608) 266-2794		Joe Polasek (608) 266-2794	6/17/2011