

Fiscal Estimate - 2017 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 17-2378/1	Introduction Number SB-168
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Description
 local assistance for remediating contaminated wells and failing wastewater treatment systems and award limits for contaminated well grants

Fiscal Effect

State:

No State Fiscal Effect
 Indeterminate

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

No Local Government Costs
 Indeterminate

1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	5. Types of Local Government Units Affected <input checked="" type="checkbox"/> Towns <input checked="" type="checkbox"/> Village <input checked="" type="checkbox"/> Cities <input checked="" type="checkbox"/> Counties <input checked="" type="checkbox"/> Others <u>Tribes</u> <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
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Fund Sources Affected	Affected Ch. 20 Appropriations
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input checked="" type="checkbox"/> SEG <input type="checkbox"/> SEGS	

Agency/Prepared By DNR/ Joe Polasek (608) 266-2794	Authorized Signature Joe Polasek (608) 266-2794	Date 4/17/2017
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Fiscal Estimate Narratives

DNR 4/17/2017

LRB Number	17-2378/1	Introduction Number	SB-168	Estimate Type	Original
Description local assistance for remediating contaminated wells and failing wastewater treatment systems and award limits for contaminated well grants					

Assumptions Used in Arriving at Fiscal Estimate

The bill increases the limit on grants awarded under the state well compensation grant program and provides that local units of government can remediate contaminated wells in agreement with the owner or make reduced interest loans to an owner for the same purpose.

A. Impacts to DNR

Well Compensation and Well Abandonment grant applications are accepted year-round and evaluated/funded on a first-come, first-serve basis. A higher number of applications are typically received after spring thaw. These grant programs are administered jointly by staff from Community Financial Assistance and Drinking and Groundwater Bureaus. Staff evaluate each grant application for eligibility of the work proposed and applicant's financial eligibility. Applications may be straight-forward or very complex.

Because of the ad hoc nature of these grant applications, DNR staff have no way to predict the numbers of grant applications that might be received in a fiscal year. Further, DNR staff have no way to predict the complexity of each applicant's financial need nor how complex each well situation might be.

The proposed statutory changes are:

Unlikely to increase or decrease the number of eligible applicants.

Unlikely to increase or decrease the workload of DNR staff involved in administration of both the Well Compensation and Well Abandonment grant programs.

Unlikely to increase or decrease the number of grant awards issued by the DNR in a given fiscal year.

Likely to increase the total award amount in the fiscal year since the maximum award would be increased from \$9,000 to \$12,000 per landowner.

B. Impacts to Local Governments

It is difficult to predict how many local governments will use the new authority proposed under the bill to establish and administer local loan programs, special assessments, or both for contaminated wells or failing septic systems within their jurisdictions. It is expected that there will be indeterminate costs associated with creation of a local loan program, as follows:

Program set-up costs (web site, forms, flyers, legal review, outreach, training, staffing, etc.)

Initial capitalization of the loan program

Annual program administration (collecting loan repayments, pursuing delinquent payments, etc.)

Annual audits

Annual reporting to local governmental bodies, WI Dept of Revenue, or possible IRS.

Long-Range Fiscal Implications