

Fiscal Estimate - 2017 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 17-2613/1	Introduction Number SB-177
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Description
 drainage districts and regulating the removal of material from certain drainage ditches

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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Indeterminate	<input type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Increase Existing Appropriations	<input type="checkbox"/> Decrease Existing Revenues	<input type="checkbox"/> Decrease Costs
<input type="checkbox"/> Decrease Existing Appropriations		
<input type="checkbox"/> Create New Appropriations		

Local:

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

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 20.115 (7)(qd)	

Agency/Prepared By	Authorized Signature	Date
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Fiscal Estimate Narratives

DATCP 5/31/2017

LRB Number	17-2613/1	Introduction Number	SB-177	Estimate Type	Original
Description drainage districts and regulating the removal of material from certain drainage ditches					

Assumptions Used in Arriving at Fiscal Estimate

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This bill will have a fiscal impact on the Department of Agriculture, Trade and Consumer Protection (DATCP), the Department of Natural Resources (DNR) and Local Government. This estimate focuses only on the statutory changes that have a fiscal impact on DATCP and Local Government.

Fiscal Impact on DATCP

The bill will result in increased one-time workload for DATCP related to updating program support materials, providing training to drainage boards and local officials, and initiating rulemaking to make ch.48, Wis. Admin. Code, compatible with ch.88, Stats. DATCP estimates those costs to be \$17,800.

A one-time cost of \$20,990 for an existing 0.1 FTE ENVIR ANALYSIS & REV SPEC - ADV (@\$22.47/hour and 46.66% fringe)=\$4,362, plus supplies and services (including \$500 for travel)=\$3,641. The estimated one-time cost is for two years to complete the necessary changes.

Fiscal Impact on Local Government

In reviewing the bill, a number of the statutory changes will also have a fiscal impact on Local Government.

There will be reduced costs based on the new exemption from the requirement to obtain a DNR permit for dredging drainage ditches that are also navigable waters. The drainage boards that conduct maintenance activities in district ditches / navigable waters will incur lower costs due to not having to pay DNR permit fees.

There will be reduced costs based on: the new exemption from a prohibition to placing dredged spoils in district corridors that are also zoned as floodplain; and the new exemption from permit requirements for placing dredged spoils in wetlands due to maintenance of drainage district ditches in accordance with DATCP approved specifications. Drainage districts with existing DATCP approved specifications will incur lower costs due to not having to pay DNR permit fees. Also, drainage boards will incur lower costs by an indeterminate amount for consultants and contractors to assist in meeting the minimum requirements for placing spoils in wetlands, including costs to delineate wetlands adjacent to drainage ditches. Larger and more complex projects could realize greater savings.

For the preceding exemptions from permitting requirements, the annual cost savings to drainage boards is estimated by DNR in its fiscal estimate for this bill.

In cases where drainage boards have not previously obtained an approved specification from DATCP, they will need to do so to qualify for the new wetland permit exemption. The department estimates a one-time cost to each district of \$20,000 to \$70,000 to meet this requirement. Project costs will vary based on scope and complexity. This estimate is based on records of past costs to boards for hiring an engineer to create district specifications. Drainage boards may decide, instead, to take on costs associated with obtaining a wetland permit and meeting the permit requirements. As a result, the overall cost will depend on the lower cost alternative between obtaining DATCP approved specifications to qualify for the new exemption and meeting wetland permit requirements in lieu of qualifying for the new exemption.

There will be reduced costs to district landowners based on removing an existing requirement that county drainage boards maintain a five percent fund reserve in each drainage district for maintenance and repair.

There may be increased local costs based on the new requirement to add a local official to the county

drainage board for limited purposes if a district drain (ditch) is located in a city or village. Approximately 60 cities and villages have some part of a drainage district within their boundaries. As a result, about 20 county drainage boards need to add a local city or village official to the board, if it is confirmed that a district drain is located within the municipal boundary. Adding new members to drainage boards may result in indeterminate costs related to notification, meeting materials and meeting management. Also, there may be increased costs to county circuit courts for time spent appointing local officials to county drainage boards.

There may be increased local costs, in an amount that cannot be determined, based on the requirements that county drainage boards include cities and villages in meeting notices. Drainage boards are required to meet at least once per year, and some meet quarterly or monthly. Only certain meeting agenda items would make it necessary for drainage boards to provide notice to cities and villages. Sufficient information is not available to estimate these costs. However, these costs may be offset by an allowance in the bill to provide notice by electronic means.

There will be increased costs to the Adams County Drainage Board based on the reinstatement of the Leola Drainage District. The bill would reinstate required administrative and management activities for the drainage board while restricting the authority of the drainage board to levy assessments to pay costs associated with these activities.

There may be a shift in local costs based on the new requirement that drainage district corridors be assessed in the same property class as adjoining land, if lands are owned by the same individual. For details, see the DOR fiscal estimate for this bill.

Long-Range Fiscal Implications