

Fiscal Estimate - 2023 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 23-5715/1	Introduction Number SB-0994
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Description
 providing grants for double-fencing of farm-raised white-tailed deer

Fiscal Effect

State:

- | | | |
|---|--|---|
| <input type="checkbox"/> No State Fiscal Effect
<input type="checkbox"/> 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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<input type="checkbox"/> Decrease Costs |
|---|--|---|

Local:

- | | | |
|--|--|---|
| <input type="checkbox"/> No Local Government Costs
<input type="checkbox"/> 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 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 |
|--|--|---|

Fund Sources Affected **Affected Ch. 20 Appropriations**

- GPR FED PRO PRS SEG SEGS

Agency/Prepared By DNR/ Paul Neumann (608) 266-0818	Authorized Signature Paul Neumann (608) 266-0818	Date 2/20/2024
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Fiscal Estimate Narratives

DNR 2/20/2024

LRB Number	23-5715/1	Introduction Number	SB-0994	Estimate Type	Original
Description providing grants for double-fencing of farm-raised white-tailed deer					

Assumptions Used in Arriving at Fiscal Estimate

The bill provides that, if DNR or DATCP require a person to maintain a double perimeter fence, install a second perimeter fence, or install a solid perimeter fence around a deer farm, DNR must provide the person with a grant equal to the cost of installing the second perimeter fence or solid perimeter fence.

I. Background Information & Assumptions

A. Presently, Wisconsin has a total of 170 white-tailed deer farms active in the CWD herd status program. Of that total, 145 farms are solely white-tail deer while 25 are a mix of white-tail deer and exotics. The number of farms fluctuates as businesses close and new ones open.

B. DATCP reports that in FY 2023, a total of 12 farms met the CWD herd status program requirements for a "double protective barrier". Of those 12 farms, 10 were already in compliance, and 2 notices were served.

C. The 170 white-tailed deer farms in the CWD herd status program occupy a total of 34,300 acres, of which 29,580 acres are protected only by a single barrier fence.

D. The 170 white-tailed deer farms in the CWD herd status program have a total of 1,512,252 linear feet of fencing, of which 1,222,070 linear feet is a single barrier fence system.

E. The department assumes an average cost of \$6.50 per linear foot for a double protective barrier fence.

F. The number of annual CWD detections in wild deer is trending upwards. In 2023, 1,576 CWD-positive wild deer were detected, compared to 1,064 in 2018. The average annual increase in wild CWD detections since 2018 has been 9.2%.

G. Measurable changes in the number of CWD detections may not accurately represent the true increase in CWD cases throughout the state, as sampling intensity and locations vary each year.

H. CWD continues to be detected in new counties throughout the state annually, demonstrating the spread of CWD into wild deer across an increasing geography.

I. The highest number of CWD detections are located in the southern farmland zone; therefore, deer farms in that zone have a higher chance of having 2 positive CWD tested deer within 5 miles of their perimeter fencing, and thus being required to install a double protective barrier fence.

J. An estimate for what the department would award for fencing grants is difficult due to the many variables, including the number of farms required to upgrade their fencing per fiscal year, the linear feet of fencing needed, the terrain in the area of fencing, and the cost adjustments based on farm location. Should all of the single barrier fence systems be required to be upgraded to a "double protective barrier", the total cost would be \$7,943,500 (\$6.50/ft. x 1,222,070 linear feet). This cost could not be incurred in a single fiscal year.

II. Fiscal Effect

A. Staffing Costs-Grant Administration

This bill will require the DNR to create and manage a new grant program. The department assumes that a half-time position would be needed to administer the program at an estimated annual cost of \$62,400 (rounded amount) for salary and fringe benefits (\$40.63/hr. x 2080 x 50% x 1.476 department-wide fringe rate add-on).

B. Fencing Grants

As noted above, DATCP states that it issued 2 notices to farms in the CWD herd status program requirements that would make them eligible for the grant outlined in the bill. Assuming this number will increase as the number of CWD cases and areas of the state that are infected increase, the department assumes that it will issue 3 grants per year.

Based on the acreage and linear feet data provided by DATCP, the department estimates an average of 129 acres and 5,418 linear feet of fencing per farm.

Therefore, the annual grant estimate is calculated as follows: $\$6.50/\text{linear foot} \times 3 \text{ farms} \times 5,418 \text{ linear feet of fence} = \$105,700$ (rounded amount).

C. Staffing Costs-Fencing Inspections

The bill would have no fiscal impact on the Division of Public Safety and Resource Protection (PSRP) and their involvement with conducting fencing inspections on white-tailed deer farms.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2023 Session

Detailed Estimate of Annual Fiscal Effect

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Description providing grants for double-fencing of farm-raised white-tailed deer								
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):								
II. Annualized Costs:								
Annualized Fiscal Impact on funds from:								
	Increased Costs	Decreased Costs						
A. State Costs by Category								
State Operations - Salaries and Fringes	\$62,400	\$						
(FTE Position Changes)	(0.5 FTE)							
State Operations - Other Costs	105,700							
Local Assistance								
Aids to Individuals or Organizations								
TOTAL State Costs by Category	\$168,100	\$						
B. State Costs by Source of Funds								
GPR								
FED								
PRO/PRS								
SEG/SEG-S	168,100							
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								
	<u>State</u>	<u>Local</u>						
NET CHANGE IN COSTS	\$168,100	\$						
NET CHANGE IN REVENUE	\$	\$						
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 45%;">Agency/Prepared By</td> <td style="width: 35%;">Authorized Signature</td> <td style="width: 20%;">Date</td> </tr> <tr> <td>DNR/ Paul Neumann (608) 266-0818</td> <td>Paul Neumann (608) 266-0818</td> <td>2/20/2024</td> </tr> </table>			Agency/Prepared By	Authorized Signature	Date	DNR/ Paul Neumann (608) 266-0818	Paul Neumann (608) 266-0818	2/20/2024
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