

## ADMINISTRATIVE RULES Fiscal Estimate & Economic Impact Analysis

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1. Type of Estimate and Analysis

Original  Updated  Corrected

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2. Administrative Rule Chapter, Title and Number

Several Administrative codes:

Chapters NR 130, 131, 132, and 182, Wis. Adm. Code relating to metallic mining,

Chapters NR 500 to 518, 524, 528 and 538, Wis. Adm. Code relating to solid waste management, and,

Chapters NR 103, 123, 135, 140, 213, 214, 406, 812, and 815, Wis. Adm. Code to provide the same exemptions for ferrous mining and associated activities that exist for nonferrous mining activities.

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3. Subject

Implementation of Section 103 of Wisconsin Act 1. The proposed rules will revise the following:

- Chapters NR 130, 131, 132, and 182, Wis. Adm. Code and other rules promulgated under section 293.13 (1) (a) of the statutes to clarify these chapters do not apply to ferrous metallic mining,
  - Chapters NR 500 to 518, 524, 528, and 538, Wis. Adm. Code and any other rules promulgated under sections 289.05 and 289.06 (1) of the statutes so these rules are consistent with ferrous mining law, subch. III of chapter 295 of the statutes, and,
  - Other rules that provide exemptions for nonferrous mining or associated activities to provide the same exemptions for ferrous mining and associated activities in accordance with 2013 Wisconsin Act 1.
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4. Fund Sources Affected

GPR  FED  PRO  PRS  SEG  SEG-S

5. Chapter 20, Stats. Appropriations Affected

No

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6. Fiscal Effect of Implementing the Rule

No Fiscal Effect  Increase Existing Revenues  Increase Costs  
 Indeterminate  Decrease Existing Revenues  Could Absorb Within Agency's Budget  
 Decrease Cost

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7. The Rule Will Impact the Following (Check All That Apply)

State's Economy  Specific Businesses/Sectors  
 Local Government Units  Public Utility Rate Payers  
 Small Businesses (if checked, complete Attachment A)

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8. Would Implementation and Compliance Costs Be Greater Than \$20 million?

Yes  No

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9. Policy Problem Addressed by the Rule

These proposed rule changes do not address a specific policy problem, but rather align administrative rules with current law as directed by section 103 of 2013 Wisconsin Act 1. The changes will clarify the applicability of existing metallic mining administrative rules and 2013 Wisconsin Act 1.

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10. Summary of the businesses, business sectors, associations representing business, local governmental units, and individuals that may be affected by the proposed rule that were contacted for comments.

The Department does not believe the proposed rule changes will have any economic impacts. However, the Department did solicit comments on a draft of this Fiscal Estimate / Economic Impact Analysis (FE/EIA) from parties that could be interested in the proposed rule changes. These interested parties included Native American Tribes, environmental groups, federal environmental agencies, mining companies, business associations, etc. The Department received one response letter from the Red Cliff Band of Lake Superior Chippewa. The letter states that the Fiscal Estimate/Economic Impact Analysis is inherently flawed. However, the Band's comments appear directed primarily to 2013 Wisconsin Act 1 and potential future mining activity. The Department believes that the proposed rules will not have an economic impact on Native American Tribes or tribal members.

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11. Identify the local governmental units that participated in the development of this EIA.

The Department shared the draft of this FE/EIA with local government representatives. The Department did not receive

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comments from local governments or from associations representing local governments. The Department does not believe the proposed changes will have economic impacts to local governments.

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12. Summary of Rule's Economic and Fiscal Impact on Specific Businesses, Business Sectors, Public Utility Rate Payers, Local Governmental Units and the State's Economy as a Whole (Include Implementation and Compliance Costs Expected to be Incurred)

The Department believes the proposed rule changes will have no economic effects as the proposed rule changes simply act to ensure the rules are consistent with current statutory provisions governing ferrous and nonferrous metallic mining. Spending will not be affected as the changes should not influence commercial activities related to mining. The proposed rules clarify the applicability of administrative rules to ferrous and nonferrous mining activities and will align administrative codes to the current mining law. The changes do not affect the location or quantity of ferrous or nonferrous metallic material that may be mined as the amount and location of mining activities is driven by location of the mineral deposit. Spending will not be affected as the changes should not influence commercial activities related to mining.

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13. Benefits of Implementing the Rule and Alternative(s) to Implementing the Rule

The proposed rules will provide for a more clear understanding, and consistent implementation, of administrative rules as they apply to mining activities. Other alternatives were not considered because this approach is directed in the non-statutory provisions of section 103 of 2013 Wisconsin Act 1.

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14. Long Range Implications of Implementing the Rule

The proposed rules clarify the applicability of the Department's administrative rules to both ferrous and nonferrous mining activities.

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15. Compare With Approaches Being Used by Federal Government

The changes in state law made by the 2013 Wisconsin Act 1 and the proposed changes in state administrative rules constitute the State of Wisconsin's regulation of mining activity. All applicable federal laws continue to apply to proposed ferrous and nonferrous mining activities. The proposed rule changes do not conflict with any applicable federal laws and regulations. Both ferrous and nonferrous metallic mining activities must meet the requirements of federal laws such as the Clean Water Act and the Clean Air Act administered by the U.S. Environmental Protection Agency (EPA) and the U.S. Army Corps of Engineers (ACOE).

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16. Compare With Approaches Being Used by Neighboring States (Illinois, Iowa, Michigan and Minnesota)

The Department's proposed rules implement changes required by the 2013 Wisconsin Act 1. In a memorandum dated October 26, 2011, the Wisconsin Legislative Council prepared an analysis of the mine permitting process in adjacent States at the request of the Senate Select Committee On Mining Jobs. The analysis is titled, "Ferrous Mining Permit Application Process in Wisconsin, Minnesota, and Michigan". A copy of this analysis will be provided upon request. At present, both Minnesota and Michigan have active ferrous mining operations. Neither Iowa or Illinois have active metallic mining programs. Iowa does not have metallic mining regulations. Illinois regulations for mining are focused on specific areas covering mine reclamation, mine safety, abandoned mines, and oil & gas.

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17. Contact Name

Edward Lynch

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18. Contact Phone Number

608/267-0545

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**ADMINISTRATIVE RULES**  
**Fiscal Estimate & Economic Impact Analysis**

**ATTACHMENT A**

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1. Summary of Rule's Economic and Fiscal Impact on Small Businesses (Separately for each Small Business Sector, Include Implementation and Compliance Costs Expected to be Incurred)

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2. Summary of the data sources used to measure the Rule's impact on Small Businesses

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3. Did the agency consider the following methods to reduce the impact of the Rule on Small Businesses?

- Less Stringent Compliance or Reporting Requirements
- Less Stringent Schedules or Deadlines for Compliance or Reporting
- Consolidation or Simplification of Reporting Requirements
- Establishment of performance standards in lieu of Design or Operational Standards
- Exemption of Small Businesses from some or all requirements
- Other, describe:

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4. Describe the methods incorporated into the Rule that will reduce its impact on Small Businesses

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5. Describe the Rule's Enforcement Provisions

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6. Did the Agency prepare a Cost Benefit Analysis (if Yes, attach to form)

- Yes     No
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