

Fiscal Estimate — 2009 Session

<input checked="" type="checkbox"/> Original <input type="checkbox"/> Updated <input type="checkbox"/> Corrected <input type="checkbox"/> Supplemental	LRB Number Bill Number	Amendment Number if Applicable Administrative Rule Number DG-25-10
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Subject
 Water Use Registration and Reporting Rule

Fiscal Effect

State: No State Fiscal Effect
 Indeterminate

Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.

Increase Existing Appropriation Increase Existing Revenues
 Decrease Existing Appropriation Decrease Existing Revenues
 Create New Appropriation

Increase Costs — May be possible to absorb within agency's budget.

Yes No

Decrease Costs

Local: No Local Government Costs
 Indeterminate

1. Increase Costs
 Permissive Mandatory
 2. Decrease Costs
 Permissive Mandatory

3. Increase Revenues
 Permissive Mandatory
 4. Decrease Revenues
 Permissive Mandatory

5. Types of Local Governmental Units Affected:

Towns Villages Cities
 Counties Others Water Utilities
 School Districts WTCS Districts

Fund Sources Affected

GPR FED PRO PRS SEG SEG-S

Affected Chapter 20 Appropriations

20.370 (4)(cg), 20.370 (4)(ai)

Assumptions Used in Arriving at Fiscal Estimate

Rule Summary

This rule clarifies and further defines new statewide statutory requirements for withdrawals of waters of the state and diversions of water from the Great Lakes Basin. The new law requires the following:

- Registration for any person who has or proposes to have a water supply system with the capacity to withdraw an average of 100,000 gallons per day or more in any 30-day period or who diverts water in any amount from the Great Lakes Basin.
- Annual reporting for any person who makes a withdrawal averaging 100,000 gallons per day or more in any 30-day period or who diverts any amount from the Great Lakes Basin.

State Fiscal Effect

Annual Costs:

All costs that the Department will incur are the result of the registration and reporting requirements enacted in 2007 Wisconsin Act 227.

Annual costs to the Department are expected to increase by an estimated \$145,700 for salary, supplies, and related expenditures. This estimate is based upon the following expected costs associated with administering the new requirements:

1) Salary and fringe for 2.0 FTEs classified as Water Supply Specialists at an estimated cost of approximately \$136,200 [2,080 hours x \$32.73/hour (salary and fringe) x 2 FTE]. The FTEs will provide compliance assistance, develop information and education materials, review and accept registration submittals, review reporting information, prepare summary reports and analysis, investigate complaints and non-compliance with the rules, and maintain the data system.

2) Travel and supply costs of \$6,000 (\$3,000 x 2 FTE). The travel will include field investigations of complaints and non-compliance and travel associated with providing training and customer service to the regulated community.

Long-Range Fiscal Implications

No long range fiscal implications are expected.

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Fiscal Estimate — 2009 Session

Page 2 Assumptions Narrative Continued

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Assumptions Used in Arriving at Fiscal Estimate – Continued

3) Database/IT costs of \$3,500 (50 hours x \$70/hour) for an outside contractor to maintain the data system and online registration and reporting system.

One-Time Costs:

One time costs are estimated to be \$128,650. These costs are for developing a database and online system to accept registration and reporting information. This includes computer contractor costs of \$44,900 (1 IS contractor @ 350 hours x \$70/hour and 1 GIS contractor @ 300 hours x \$68/hour) and DNR staff time at a cost of \$83,750 (1,675 hours x \$50/hour average salary and fringe). DNR staff time is required from a GIS Coordinator, IS Systems Developer, and Water Supply Specialist-Advanced.

Local Government Fiscal Impact

The new requirements will impact local units of government that have or propose a water supply system that withdraws water at the level regulated by the new rule. The fiscal impact is expected to be minimal, since measuring and reporting water withdrawal information is already required by other Department programs. The additional reporting requirement of the new rule may be accomplished by the withdrawer and is expected to take, on average, less than 2 hours per year. Department staff are committed to eliminating duplicative reporting requirements with the development of new data systems.

Private Sector Fiscal Impact

A. Existing Withdrawers

The fiscal impact on persons in the private sector that have existing withdrawals regulated by the new rule is expected to be minimal. Most existing withdrawers are already required to measure and report withdrawal information to the Department. The additional reporting requirement of the new rule may be accomplished by the withdrawer and is expected to take, on average, less than 2 hours per year. Department staff are committed to eliminating duplicative reporting requirements with the development of new data systems.

For existing withdrawers that are not currently required to measure and report their withdrawals, the fiscal impact is expected to be the same as for new withdrawers, as explained below.

B. New Withdrawers

The fiscal impact on persons in the private sector that are starting new withdrawals is not expected to be significant. Initial costs include withdrawal measurement and registration. The rule provides options for measuring withdrawals that vary in cost. There are options that may be completed by the withdrawer at little to no cost. Other options require the purchase of a meter and some options--for example, measuring flow through a weir, may require hiring a professional consultant. Standard meters range in cost from \$400 to \$5,000. Consultant costs vary and may range between \$500 and \$2,000.

Completing the initial registration is expected to take, on average, less than 2 hours and may be completed by the withdrawer. Withdrawers that are hiring consultants or contractors, such as well drillers, as part of their project may choose to have them also complete the registration.

Annual costs are expected to be minimal. Documenting the volumes of withdrawal by month and then reporting the information annually to the Department is expected to take, on average, less than 2 hours per year and may be completed by the withdrawer.

Fiscal Estimate Worksheet — 2009 Session
 Detailed Estimate of Annual Fiscal Effect

Original Updated
 Corrected Supplemental

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Subject
 Water Use Registration and Reporting Rule

One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):

Annualized Costs:		Annualized Fiscal Impact on State Funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations — Salaries and Fringes		\$	\$ -
(FTE Position Changes)		(FTE)	(- FTE)
State Operations — Other Costs			-
Local Assistance			-
Aids to Individuals or Organizations			-
Total State Costs by Category		\$	\$ -
B. State Costs by Source of Funds		Increased Costs	Decreased Costs
GPR		\$	\$ -
FED			-
PRO/PRS			-
SEG/SEG-S			-
State Revenues	Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)	Increased Revenue	Decreased Revenue
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	\$ _____	\$ _____
Net Change in Revenues	\$ _____	\$ _____

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