**Fiscal Estimate — 2013 Session**

<table>
<thead>
<tr>
<th>☑ Original</th>
<th>☐ Updated</th>
<th>LRB Number</th>
<th>Amendment Number if Applicable</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ Corrected</td>
<td>☐ Supplemental</td>
<td>2983/1</td>
<td></td>
</tr>
<tr>
<td>☐ Bill Number</td>
<td>☐ Administrative Rule Number</td>
<td>AB 444</td>
<td></td>
</tr>
</tbody>
</table>

### Subject

Fees imposed on the disposal of solid waste and hazardous waste at licensed solid waste and hazardous waste disposal facilities

### 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
- ☐ Decrease Existing Appropriation
- ☐ Create New Appropriation
- ☑ Increase Existing Revenues
- ☐ Decrease Existing Revenues

- ☑ 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
   - ☐ School Districts
   - ☐ WTCS Districts

### Assumptions Used in Arriving at Fiscal Estimate

The impact to state revenues and local government costs, as applicable, are calculated using the tons of waste in each category for which the fees would be waived multiplied by the $13/ton fee.

1. **MRF Residues:** Wisconsin material recovery facilities (MRFs) reported generating 44,397 tons of waste residuals in 2012. Assuming all of this tonnage was subject to state tipping fees of $13/ton, but excluding the tonnage that would have exceeded the 10% cap in the bill, the total tipping fees waived under the bill would be $502,000. Publicly owned MRFs comprised 7,324 tons and $79,000 of the total; this would be the local municipality savings.

2. **Construction and Demolition MRF Residues:** The DNR does not receive reports from C&D MRFs on residue rates. A survey in 2011 indicated the facilities in operation at that time generated 33,623 tons of landfilled residuals. If all these residuals were subject to state tipping fees, this would represent approximately $437,000 in waived fees.

3. **Remediation Soils:** Amounts of soil disposed of at landfills and subject to state tipping fees are highly variable from year to year. Based on a telephone survey conducted in 2011, a typical annual tonnage of 40,000 tons is a reasonable estimate, representing approximately $520,000 per year in waived fees.

4. **Bad Debt:** Approximately 25 landfills in Wisconsin accept loads from private haulers on a credit basis. Based on a 2011 telephone survey, a typical default rate would be less than 1 percent, and has improved over the past several years as adverse economic conditions have forced landfill operators to manage credit more tightly. At 400 tons per landfill per year (i.e., 10,000 tons statewide), the annual revenue decrease to the state would be about $130,000. An estimated 4,000 tons of this amount, or $52,000, would be saved local government costs.

In addition to the above, the state would incur higher costs to administer the fee waivers for administrative costs and auditing. We estimate an annual workload of 100 hours and a resulting cost (@ $40/hr salary+fringe) of about $4,000.

### Long-Range Fiscal Implications

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266-2794

**Agency:**

Department of Natural Resources

**Authorized Signature:**

Joe Polasek

**Telephone No.:**

266-2794

**Date (mm/dd/ccyy):**

[To be filled in by the preparer]
Assumptions Used in Arriving at Fiscal Estimate – Continued
One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):

<table>
<thead>
<tr>
<th>Annualized Costs:</th>
<th>Annualized Fiscal Impact on State Funds from:</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. State Costs by Category</td>
<td>Increased Costs</td>
</tr>
<tr>
<td>State Operations — Salaries and Fringes</td>
<td>$4,000</td>
</tr>
<tr>
<td>(FTE Position Changes)</td>
<td>(FTE)</td>
</tr>
<tr>
<td>State Operations — Other Costs</td>
<td>-</td>
</tr>
<tr>
<td>Local Assistance</td>
<td>-</td>
</tr>
<tr>
<td>Aids to Individuals or Organizations</td>
<td>-</td>
</tr>
<tr>
<td>Total State Costs by Category</td>
<td>$4,000</td>
</tr>
<tr>
<td>B. State Costs by Source of Funds</td>
<td>Increased Costs</td>
</tr>
<tr>
<td>GPR</td>
<td>$</td>
</tr>
<tr>
<td>FED</td>
<td>-</td>
</tr>
<tr>
<td>PRO/PRS</td>
<td>-</td>
</tr>
<tr>
<td>SEG/SEG-S</td>
<td>4,000</td>
</tr>
<tr>
<td>State Revenues</td>
<td>Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</td>
</tr>
<tr>
<td>GPR Taxes</td>
<td>$</td>
</tr>
<tr>
<td>GPR Earned</td>
<td>-</td>
</tr>
<tr>
<td>FED</td>
<td>-</td>
</tr>
<tr>
<td>PRO/PRS</td>
<td>-</td>
</tr>
<tr>
<td>SEG/SEG-S</td>
<td>-</td>
</tr>
<tr>
<td>Total State Revenues</td>
<td>$</td>
</tr>
</tbody>
</table>

**Net Annualized Fiscal Impact**

<table>
<thead>
<tr>
<th>State</th>
<th>Local</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Change in Costs</td>
<td>$4,000</td>
</tr>
<tr>
<td>Net Change in Revenues</td>
<td>$-1,589,000</td>
</tr>
</tbody>
</table>

Prepared By: Joe Polasek
Telephone No. 266-2794
Agency Department of Natural Resources

Authorized Signature
Telephone No. 266-2794
Date (mm/dd/ccyy)