

Environmental Management Account Revenues and Expenditures

**Legislative Fiscal Bureau
November 14, 2014**

TABLE 1**State Solid Waste Tipping Fees Per Ton**

<u>Fund, Fee</u>	<u>Type</u>	<u>Municipal and Non- High-Volume Industrial Waste</u>	<u>High-Volume Industrial Waste</u>	<u>PCB- Contaminated Sediment</u>
Environmental management account - Recycling (recycling fund prior to 2011-12)	SEG	\$7.000	\$0.000	\$0.000
Environmental management account - environmental repair	SEG	2.500	0.200	0.850
Environmental management account - Groundwater	SEG	0.100	0.100	0.100
Environmental management account - well compensation	SEG	<u>0.040</u>	<u>0.040</u>	<u>0.040</u>
Subtotal Environmental Management		\$9.640	\$0.340	\$0.990
Nonpoint account	SEG	3.200	0.000	3.200
DNR Solid Waste landfill administration	PR	0.150	0.150	0.150
DOA Solid Waste Facility Siting Board	PR	<u>0.007</u>	<u>0.007</u>	<u>0.007</u>
Subtotal Nonpoint/Program Revenue Accounts		\$3.357	\$0.157	\$3.357
Total State Tipping Fee		\$12.997	\$0.497	\$4.347

-High-volume industrial waste includes fly ash, bottom ash, paper mill sludge and foundry process waste.

-Municipal and non- high-volume industrial waste includes solid waste generated by residences, business, commercial, government facilities, construction and demolition, and industrial uses that are not high-volume.

-PCB (polychlorinated biphenyls) contaminated sediments are subject to the rates in the table if they are removed from a navigable water of the state in connection with a phase of a project to remedy contamination of the bed of the navigable water, and the quantity of sediments removed will exceed 200,000 cubic yards. If the PCB sediments do not meet these criteria, they are subject to the fees for non- high-volume industrial waste.

-Waste used as daily cover, lining, capping or constructing berms, dikes or roads in the facility is exempt from the fees if use for that purpose is approved by DNR and the waste is used in that way.

TABLE 2**Tons of Solid Waste Landfilled in Wisconsin, by Category and Year**

<u>Type of Waste</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Municipal solid waste and construction and demolition waste	6,223,819	5,217,029	4,568,074	4,443,342	4,358,897	4,217,321
Other non- high-volume industrial waste	765,677	528,152	510,689	809,264	714,297	495,227
PCB contaminated sediment *	0	341,580	385,265	124,713	833,588	295,865
Unusable paper making materials *	28,744	50,169	54,429	41,680	55,358	71,863
Certain waste from nonprofits that operate recycling programs *	<u>0</u>	<u>7,623</u>	<u>7,471</u>	<u>9,101</u>	<u>8,620</u>	<u>13,812</u>
Subtotal tons subject to nonpoint tipping fee	7,018,240	6,144,553	5,525,928	5,428,100	5,970,760	5,094,088
Percent change in tons subject to nonpoint tipping fees	---	-12.4%	-10.1%	-1.8%	10.0%	-14.7%
High-volume industrial waste **	1,436,794	1,028,743	914,262	1,045,635	880,082	1,136,766
Tons subject to state tipping fees	8,455,034	7,173,296	6,440,190	6,473,735	6,850,842	6,230,854
Tons used for daily cover at landfills***	1,803,047	1,560,408	1,829,755	1,570,164	1,858,597	1,619,116
Certain waste generated from a natural disaster	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>403</u>	<u>0</u>
Subtotal tons exempt from all state tipping fees	1,803,047	1,560,408	1,829,755	1,560,164	1,859,000	1,619,116
Total waste landfilled in Wisconsin	10,258,081	8,733,704	8,269,945	8,043,899	8,709,842	7,849,970
Percent change in total tons landfilled in Wisconsin		-14.9%	-5.3%	-2.7%	8.3%	-9.9%
Portion of landfilled tons from out-of-state	1,726,712	1,196,170	526,437	425,986	385,736	375,266

*Subject to reduced rates for, or exemption from, other state tipping fees.

**Includes utility power plant ashes and sludges, pulp and papermill waste, foundry manufacturing waste, and energy recovery incinerator ash.

***Wastes used at landfills for daily cover, lining, capping, or constructing berms, dikes or roads.

Source: DNR compilation of annual reports submitted by landfills.

TABLE 3**State Solid Waste Tipping Fee Revenue Collections**

<u>Fee</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>
Environmental Management Account				
Recycling	\$35,309,500	\$36,292,800	\$34,169,000	\$33,043,500
Environmental Repair	13,551,200	10,014,900	17,842,800	10,268,100
Groundwater	685,100	502,300	848,100	538,600
Well compensation	<u>296,900</u>	<u>223,700</u>	<u>363,700</u>	<u>215,400</u>
EMA Subtotal	\$49,842,700	\$47,033,700	\$53,223,600	\$44,065,600
Nonpoint	17,773,900	12,851,400	24,399,100	16,301,100
DNR Solid waste landfill administration	964,700	965,800	932,800	1,006,100
DOA Waste Facility Siting Board	<u>47,900</u>	<u>35,200</u>	<u>59,400</u>	<u>37,700</u>
Total	\$68,629,200	\$60,886,100*	\$78,614,900*	\$61,410,500 *

* Tipping fee revenues reflect approximately \$8.9 million of state tipping fees assessed in 2011-12 for calendar year 2011 and collected in 2012-13, and approximately \$5.1 million assessed in 2013-14 for calendar year 2013 and expected to be received in 2014-15.

TABLE 4**Environmental Management Account Condition**

	2011-12 <u>Actual</u>	2012-13 <u>Actual</u>	2013-14 <u>Actual</u>	2014-15 <u>Base Funding</u>	2013-15 <u>% of Total</u>	2014-15 <u>Staff</u>
Opening Balance -- July 1	\$14,308,300	\$16,385,500	\$18,750,100	\$12,872,400		
Revenues						
<i>Recycling</i>						
Solid Waste Tipping Fees - Recycling *	\$36,292,800	\$34,169,000	\$33,043,500	\$33,100,000		
Other Fees and Income - Recycling *	<u>552,700</u>	<u>329,200</u>	<u>1,070,500</u>	<u>300,000</u>		
Subtotal Revenue from Former Recycling Fund	\$36,845,500	\$34,498,200	\$34,114,000	\$33,400,000	64.1%	
<i>Other</i>						
Solid Waste Tipping Fees - Environmental	\$10,740,900	\$19,054,600**	\$11,022,100	\$15,800,000**		
Transfer to Nonpoint Account	0	0	-650,000	-1,300,000		
Transfer from Petroleum Inspection Fund	1,704,800	1,704,800	1,704,800	1,704,800		
Pesticide and Fertilizer Fees	1,541,800	1,560,000	1,625,400	1,550,000		
Hazardous Waste Generator Fees	935,300	944,000	977,600	950,000		
Site Specific Remediation	1,274,600	795,200	1,164,500	1,000,000		
Other Fees and Income - Environmental	952,600	1,008,900	1,138,800	1,095,200		
Vehicle Environmental Impact Fee	<u>442,300</u>	<u>0</u>	<u>0</u>	<u>0</u>		
Subtotal Other Revenue	\$17,592,300	\$25,067,500	\$16,983,200	\$20,800,000	35.9%	
Total Revenue	\$54,437,800	\$59,565,700	\$51,097,200	\$54,200,000		
Total Revenue Available	\$68,746,100	\$75,951,200	\$69,847,300	\$67,072,400		

Environmental Management Account Condition (continued)

	2011-12 <u>Actual</u>	2012-13 <u>Actual</u>	2013-14 <u>Actual</u>	2014-15 <u>Base Funding</u>	2013-15 <u>% of Total</u>	2014-15 <u>Staff</u>
Expenditures						
<i>Recycling</i>						
DNR Recycling Grants to Local Governments *	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000		
DNR Administration - Recycling *	2,499,100	2,388,800	2,562,200	2,657,700		21.40
UW System Bioenergy Initiative *	3,487,600	4,475,300	4,176,100	4,069,100		35.20
Other Agencies - Recycling *	<u>1,343,100</u>	<u>1,432,200</u>	<u>1,479,300</u>	<u>1,555,700</u>		<u>6.00</u>
Subtotal Former Recycling Fund	\$27,329,800	\$28,296,300	\$28,217,600	\$28,282,500	49.1%	62.60
<i>Other</i>						
DNR Administration - Environmental	\$9,807,800	\$10,019,600	\$10,976,100	\$11,114,200		81.79
DNR Brownfields or Well Grants	517,600	375,500	218,600	276,000		
DNR State-funded Cleanup	1,140,800	1,219,700	1,511,900	2,292,700		
DNR Site Specific Remediation	3,442,200	2,449,400	1,108,600	1,000,000		
Debt Service for General Obligation Bonds	8,697,200	13,418,300	13,498,300	13,602,700		
WEDC Brownfields Grants	1,000,000	1,000,000	1,000,000	1,000,000		
Other Agencies - Environmental ***	<u>425,200</u>	<u>422,100</u>	<u>443,800</u>	<u>466,700</u>		<u>2.00</u>
Subtotal Other Expenditures	\$25,030,800	\$28,904,600	\$28,757,300	\$29,752,300	50.9%	83.79
Total Expenditures	\$52,360,600	\$57,200,900	\$56,974,900	\$58,034,800		146.39
Cash Balance	\$16,385,500	\$18,750,100	\$12,872,400	\$9,037,600		
Encumbrances, Continuing Balances ****	-\$8,598,800	-\$7,351,900	-\$8,756,300	-\$8,920,000		
Closing Available Balance -- June 30	\$7,786,700	\$11,398,200	\$4,116,100	\$117,600		

* Revenues to or appropriations funded from the recycling fund prior to 2011-12. Other agencies include Department of Agriculture, Trade and Consumer Protection clean sweep grants, Department of Corrections computer recycling, UW Extension recycling education, and UW System solid waste research and experiments.

** Includes approximately \$3.1 million of environmental solid waste tipping fees assessed in 2011-12 for calendar year 2011 and collected in 2012-13. Includes approximately \$2.4 million of environmental solid waste tipping fees assessed in 2013-14 for calendar year 2013 and expected to be collected in 2014-15.

*** Includes Department of Health Services groundwater and air quality standards, Department of Military Affairs emergency response training, and UW System environmental education.

**** In 2013-14, includes \$4.2 million for DNR state-funded cleanup, \$2.6 million for DNR site specific remediation, \$0.7 million for DATCP clean sweep grants, \$0.6 million for DNR well compensation, \$0.3 million for UW environmental education, \$0.3 million for electronics recycling, and \$0.1 million for other programs.

TABLE 5**General Obligation Bond Debt Service Payments
from the Environmental Management Account (EMA)**

<u>Year</u>	<u>Contaminated Land and Sediment</u>	<u>Harbor Sediment Cleanup</u>	<u>Administrative Facilities</u>	<u>Water Pollution Abatement</u>	<u>Total Debt Service Costs</u>	<u>EMA Total Expenditures</u>	<u>Debt Service % of Total Expenditures</u>
2004-05	\$2,182,000		\$146,800		\$2,328,800	\$21,318,000	10.9%
2005-06	3,006,900		206,300		3,213,100	30,151,700	10.7
2006-07	3,216,300		301,000		3,517,300	26,536,800	13.3
2007-08	3,531,300		346,700		3,878,000	31,496,500	12.3
2008-09	3,698,100		405,400		4,103,500	24,690,500	16.6
2009-10	3,868,000	\$381,800	477,100		4,726,900	24,259,000	19.5
2010-11	3,679,800	277,000	496,600	\$8,000,000	12,453,400	33,978,800	36.7
2011-12	3,734,000	642,400	518,900	3,801,900	8,697,200	52,360,600	16.6
2012-13	3,917,500	909,600	591,200	8,000,000	13,418,300	57,200,900	23.5
2013-14	3,421,600	1,410,900	665,800	8,000,000	13,498,300	56,974,900	23.7
2014-15*	3,311,400	1,595,300	696,000	8,000,000	13,602,700	58,034,800	23.4

*Estimated

TABLE 6

**Environmental Management Account Appropriations
2011-12 Through 2014-15**

Agency/Statutory Citation	Appropriation Name	2011-12 Expenditures	2012-13 Expenditures	2012-13 Positions	2013-14 Expenditures	2014-15 Base Funding	2014-15 Positions
Natural Resources (DNR)							
DNR Operations:							
(2)(mq)	Air and waste operations	\$3,216,095	\$3,013,012	32.50	\$3,579,020	\$3,710,800	33.50
(2)(mr)	Brownfields operations	291,940	282,748	3.00	295,836	301,000	3.00
(2)(hq)	*** Recycling administration	1,426,323	1,472,663	15.50	1,474,417	1,524,400	14.50
(2)(hr)	*** Electronic waste recycling administration	342,302	230,084	1.00	316,284	131,200	1.00
(3)(mq)	Enforcement and science operations	1,266,472	1,218,700	8.58	1,729,668	1,160,300	8.58
(3)(mr)	*** Recycling enforcement	225,272	232,220	2.40	273,400	277,100	2.40
(4)(mq)	Water operations	2,907,908	3,381,189	29.67	2,960,812	3,496,000	29.67
(8)(mv)	Administration and technology operations	1,238,351	1,118,808		1,290,132	1,307,700	0.43
(9)(mv)	Customer assistance and external relations operations	886,989	892,161	4.46	1,007,779	1,046,500	6.61
(9)(is)	*** State recycling grants administration	99,905	81,710	2.00	98,663	304,200	3.00
(8)(iw)	*** Statewide recycling administration	405,318	388,966	0.50	413,000	420,800	0.50
DNR Cleanup and Recycling Assistance:							
(6)(bu)	*** Recycling financial assistance for responsible units	18,999,976	18,999,981		18,999,991	19,000,000	
(6)(bw)	Recycling consolidation grants	1,000,000	1,000,000		1,000,000	1,000,000	
(2)(dv)	Environmental repair; spills; abandoned containers (state-funded cleanup)	\$1,140,799	\$1,219,663		\$1,511,883	\$2,292,700	
(6)(cr)	Well compensation grants	113,274	130,772		88,579	276,000	
(2)(du)	* Site specific remediation	3,438,650	2,444,842		1,108,559	1,000,000	
(4)(au)	* Cooperative remedial action; contributions	0	0		0	0	
(4)(av)	* Cooperative remedial action; interest on contributions	3,543	4,568		0	0	
(4)(ar)	Groundwater management	0	96,166		99,360	91,900	
(6)(ev)	*** PCB-contaminated sediment transport grants	0	0		0	0	
(6)(et)	Brownfield site assessment grants	404,352	244,710		129,990	repealed	
(2)(fq)	Indemnification agreements	0	0		0	0	
DNR Debt Service:							
(7)(bq)	** Remedial action	3,733,999	3,917,473		3,421,627	3,311,400	
(7)(br)	** Contaminated sediment cleanup	642,422	909,617		1,410,909	1,595,300	
(7)(er)	** Administrative facilities	518,879	591,165		665,795	696,000	
(7)(ct)	** Water pollution abatement	<u>3,801,861</u>	<u>8,000,000</u>		<u>8,000,000</u>	<u>8,000,000</u>	
DNR Subtotal		\$46,104,631	\$49,871,218	100.00	\$49,875,704	\$50,943,300	103.19

Environmental Management Account Appropriations - (continued)

Agency/Statutory Citation	Appropriation Name	2011-12 Expenditures	2012-13 Expenditures	2012-13 Positions	2013-14 Expenditures	2014-15 Base Funding	2014-15 Positions
Agriculture, Trade and Consumer Protection							
(7)(va)	*** Clean sweep grants	\$671,325	\$797,530		\$844,061	\$750,000	
(1)(u)	*** Recyclable products regulation	0	0		0	0	
(4)(qm)	*** Grants for agricultural facilities	0	0		0	0	
Corrections							
(1)(qm)	*** Computer recycling	\$128,312	\$91,161	1.00	\$91,593	\$255,500	1.00
Health Services							
(1)(q)	Groundwater and air quality standards	315,900	315,895	2.00	318,182	328,600	2.00
Military Affairs							
(3)(t)	Emergency response training	96	15,104		495	7,600	
University of Wisconsin System							
(1)(r)	* Environmental education; environmental assessments	109,161	91,101		123,798	100,000	
(1)(s)	*** Wisconsin bioenergy initiative	3,487,600	4,475,338	21.09	4,176,140	4,069,100	35.20
(1)(tb)	*** Extension recycling education	388,198	388,200	4.00	388,200	394,100	4.00
(1)(tm)	*** Solid waste research and experiments	155,400	155,400	0.50	155,400	156,100	1.00
Wisconsin Economic Development Corporation							
(1)(s)	Brownfield site assessment grants	1,000,000	1,000,000		1,000,000	1,000,000	
Wisconsin Housing and Economic Development Authority							
(5)(q)	*** Transfer to development reserve fund	0	0		0	0	
Miscellaneous - Controller's Office							
NA	Payment of Cancelled Checks	<u>0</u>	<u>0</u>		<u>1,325</u>	<u>0</u>	
Subtotal Agencies Other than DNR		\$6,255,992	\$7,329,729		\$7,099,194	\$7,091,500	
Total All Agencies		\$52,360,622	\$57,200,948	128.20	\$56,974,898	\$58,034,800	146.39

* Appropriations are continuing and show the estimated revenue that would be available solely for the purposes of the appropriation, rather than the Chapter 20 appropriations schedule amount.

** Debt service appropriations are sum sufficient and show actual expenditures in 2011-12 through 2013-14, and estimated expenditures in 2014-15. The water pollution abatement debt service appropriation is sum certain, but expenditures were less than the appropriated \$8,000,000 in 2011-12 because of refinancing of the associated GPR appropriation.

*** Appropriation was funded from the segregated recycling fund prior to 2011-12, and is funded from the environmental management account as of 2011-12.