

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5127-01
Bill No.: SB 664
Subject: Boards, Commissions, Committees, Councils; Natural Resources Department;
 Water Resources and Water Districts
Type: Original
Date: February 3, 2014

Bill Summary: This proposal modifies the authority of the Clean Water Commission.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
General Revenue	(More than \$100,000)	(More than \$100,000)	(More than \$100,000)
Total Estimated Net Effect on General Revenue Fund	(More than \$100,000)	(More than \$100,000)	(More than \$100,000)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
 This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on FTE	0	0	0

Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§ 644.059 - Clean Water Commission:

Officials from the **Department of Natural Resources (DNR)** state it is difficult to determine the effects this proposal would have on DNR's ability to operate.

DNR is unable to determine whether this proposal requires a study upon promulgation of a new water quality standard by the Clean Water Commission or for each individual permit action implementing a new water quality standard. In either case, the department would require substantial increases in its funding levels.

DNR notes the term "water quality standard" encompasses the designated uses, water quality criteria and antidegradation requirements that apply to a water body and it is unclear if the legislation is targeting all of these elements or just a portion.

DNR assumes the fiscal impact from this proposal is unknown, but could exceed \$100,000

Oversight assumes this proposal would require DNR to only modify water quality standards for construction and operating permits if an independent study is completed by DNR showing an environmental and economic need for water quality modification standards.

Oversight notes DNR does not currently complete independent studies for water quality standard modifications.

For the purpose of the fiscal note, **Oversight** will assume a cost of more than \$100,000 to General Revenue, for DNR to complete independent studies for modifications of water quality standards

<u>FISCAL IMPACT - State Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
GENERAL REVENUE FUND			
<u>Costs - DNR</u>			
§ 644.059 - Independent Studies for water quality standard modifications	(More than <u>\$100,000</u>)	(More than <u>\$100,000</u>)	(More than <u>\$100,000</u>)
ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND	(More than <u>\$100,000</u>)	(More than <u>\$100,000</u>)	(More than <u>\$100,000</u>)
<u>FISCAL IMPACT - Local Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

This proposal modifies the authority of the Clean Water Commission so that it may only modify water quality standards for certain permits upon the completion of an independent study commissioned by the Department of Natural Resources finding that there is an environmental and economic need for such modifications.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

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SOURCES OF INFORMATION

Department of Natural Resources

Mickey Wilson, CPA
Director
February 3, 2014

A handwritten signature in black ink, appearing to read "Ross Strope".

Ross Strope
Assistant Director
February 3, 2014

KB:LR:OD