

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5203-05
Bill No.: Truly Agreed To and Finally Passed HCS for SS for SCS for SB 782
Subject: Environmental Protection; Mining and Oil and Gas Production; Department of Natural Resources; Parks and Recreation; Waste - Hazardous; Water Resources and Water Districts
Type: Original
Date: June 20, 2018

Bill Summary: This proposal modifies provisions relating to the Department of Natural Resources.

FISCAL SUMMARY

| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND | | | | |
|--|----------------|----------------|----------------|---|
| FUND AFFECTED | FY 2019 | FY 2020 | FY 2021 | New Termination Date December 31, 2023 |
| | | | | |
| Total Estimated Net Effect on General Revenue | \$0 | \$0 | \$0 | \$0 |

Numbers within parentheses: () indicate costs or losses. This fiscal note contains 22 pages.

| ESTIMATED NET EFFECT ON OTHER STATE FUNDS | | | | |
|---|--------------------------------|--------------------------------|--------------------------------|---|
| FUND AFFECTED | FY 2019 | FY 2020 | FY 2021 | New Termination Date December 31, 2023 |
| Hazardous Waste Management Fund | Could exceed \$220,500 | Could exceed \$591,000 | Could exceed \$591,000 | Could exceed \$220,500 |
| Mined Land Reclamation Fund | \$250,000 | \$500,000 | \$500,000 | \$500,000 |
| Petroleum Storage Tank Insurance Fund | \$0 | \$0 | \$5,750,000 | \$11,500,000 |
| Radioactive Waste Investigation Fund | \$0 | \$0 | \$0 | \$0 |
| Solid Waste Management Fund - Coal Combustion Residual Subaccount | \$2,032,823 | (\$4,986) | (\$10,119) | (\$15,317) |
| State Parks Earnings Fund | \$0 or Exceeding (\$40,993) | \$0 or Exceeding (\$50,422) | \$0 or Exceeding (\$51,683) | \$0 or Exceeding (\$51,683) |
| Water Protection Fund | \$0 to (Unknown) | \$0 to (Unknown) | \$0 to (Unknown) | \$0 to (Unknown) |
| Total Estimated Net Effect on Other Funds | Up to \$2,462,330 | Up to \$1,035,592 | Up to \$6,779,198 | Up to \$12,153,500 |

| ESTIMATED NET EFFECT ON FEDERAL FUNDS | | | | |
|---|----------------|----------------|----------------|---|
| FUND AFFECTED | FY 2019 | FY 2020 | FY 2021 | New Termination Date December 31, 2023 |
| | | | | |
| | | | | |
| Total Estimated Net Effect on <u>All</u> Federal Funds | \$0 | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE) | | | | |
|--|----------------|----------------|----------------|---|
| FUND AFFECTED | FY 2019 | FY 2020 | FY 2021 | New Termination Date December 31, 2023 |
| Solid Waste Management Fund - Coal Combustion Residual Subaccount | 6 FTE | 6 FTE | 6 FTE | 6 FTE |
| | | | | |
| Total Estimated Net Effect on FTE | 6 FTE | 6 FTE | 6 FTE | 6 FTE |

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

| ESTIMATED NET EFFECT ON LOCAL FUNDS | | | | |
|--|----------------|----------------|----------------|---|
| FUND AFFECTED | FY 2019 | FY 2020 | FY 2021 | New Termination Date December 31, 2023 |
| Local Government | \$0 | \$0 | \$0 | \$0 |

FISCAL ANALYSIS

ASSUMPTION

§253.175

Officials at the **Department of Natural Resources (DNR)** assume this proposal will have a negative fiscal impact to their organization based on the following information.

The current portion of the Rock Island Spur is 47.7 trail miles, which equates to 95 fencing miles. For purposes of this fiscal note, Department of Natural Resources - Division of State Parks (DSP) estimates up to 10% of the total fencing would need repairs or replacement each fiscal year. DSP would need additional resources to perform the maintenance and repairs of fencing each year. It is always recommended for safety reasons to work as a team of two for fencing installation. Tasks that require a team include clearing of fence rows so fencing can be repaired/replaced (this may include the use of chainsaws and other power tools), expedited opening/shutting of gates to cause minimal impacts to trail users, allowing for the proper stretching of barbed wire and other fencing material along with the installation of fence poles which is sometimes done at significant distances depending on the boundary lines.

The department would need tools and equipment to repair locations on the trail and fencing supplies. Fencing supplies are currently costing \$4,711.60 per mile which equates to \$47,112 annually. Small tools are estimated to cost around \$3,000 annually.

Therefore the total annual costs include an estimated \$0 to \$51,430 in expenses and supplies.

DNR states there is potential for DSP to enter an additional rails-to-trails agreement which could add additional miles. This could create the need for a larger fencing crew to share the workload. There would also be additional expenses and equipment, based on a potential replacement of 10% per year.

Oversight will show the fiscal impact as \$0 or exceeding the estimates provided by DNR. The \$0 represents the possibility of no repairs and the exceeding amount is based on DSP's statement that maintenance and repairs would be required on an annual basis.

§260.242

Officials from the **Department of Natural Resources (DNR)** assume this proposal provides authority for DNR to promulgate rules by December 31, 2018, applicable to Coal Combustion

ASSUMPTION (continued)

Residuals (CCR) surface impoundments including a provision to assess a one-time fee of \$62,000 or \$48,000 per CCR unit not permitted as a utility waste landfill, and promulgate CCR landfill rules establishing a process for assessing and collecting an annual fee of \$15,000 per a CCR unit subject to 40 CFR 257.

§260.242

Due to the catastrophic collapse of large volume surface impoundments, the U.S. Environmental Protection Agency (EPA) published the final order of rule-making for the "Disposal of Coal Combustion Residuals from Electric Utilities" on April 17, 2015. This federal CCR rule governs disposal and management of fly ash, bottom ash, boiler slag, and flue gas desulfurization materials generated from the combustion of coal at electric utilities. This rule finalizes national minimum criteria for existing and new CCR landfills and surface impoundments which are similar to those for municipal solid waste landfills. The current Missouri CCR law and regulations fall short of equivalency with this new federal rule.

Missouri is the 12th largest coal energy producing state in the United States. Based on information compiled by DNR staff, there are currently nineteen (19) utilities in Missouri which have coal-fired power plants. An assessment of CCR surface impoundments in Missouri identified forty-four (44) CCR impoundments at sixteen (16) sites in Missouri (not all plant sites have surface impoundments). The final rule allows for self-implementation and self-reporting via the Internet by owners/operators of utility waste landfills and surface impoundments. Because of the nature and volume of these waste materials, ground and surface water can become contaminated if the waste materials are mismanaged and a public nuisance can be created through improper handling and disposal of the mountains of fly ash generated each year by these facilities.

The federal CCR rule is self-implementing; no federal or state permit is required of a CCR landfill or surface impoundment to operate. Owner/operators are expected to maintain operational transparency through disclosure of certain information on a publicly accessible Internet website. Such information must demonstrate compliance with the federal rule. The bill would provide authority to DNR to promulgate adequate rules by December 31, 2018, for addressing both CCR landfills and surface impoundments and fund DNR oversight.

§260.242

- Establishes the general authority for DNR to conduct rule-making in order to establish a state CCR program and allows for the use of risk-based decision making for management, closure, and post-closure of CCR units.

ASSUMPTION (continued)

- Establishes a time-frame for promulgating rules applicable to CCR surface impoundments and establishes certain limitations related to those rules regarding applicability.
- Establishes a time-frame for promulgating rules applicable to utility waste and CCR landfills and establishes certain limitations related to those rules regarding applicability.
- Authorizes DNR to work with CCR units through guidance and enforceable agreements until the rule-making in subsection 1 is effective.
- Establishes a one-time enrollment fee of \$62,000 per applicable CCR unit.
- Establishes a one-time enrollment fee of \$48,000 per applicable CCR unit that has completed closure under 40 CFR 257 prior to December 31, 2018.
- Establishes an annual fee of \$15,000 per applicable CCR unit.
- Establishes the "Coal Combustion Residuals Subaccount".
- Requires interest earned by the funds within the subaccount to remain within the subaccount.
- Provides DNR authority to conduct rule-making related to the above fees.
- Grants DNR authority to pursue interest of past due fees until payment is made.
- Allows DNR to pursue penalties for failure to report and/or pay fees.

The proposed language includes a provision requiring an annual report detailing costs incurred in connection with the management and closure of CCR units.

Funding provided by the one-time enrollment fee is intended to establish the initial long term operating fund for the Department to oversee the full 30 year post-closure period associated with these CCR units. Further, an annual fee is intended to cover the ongoing operational costs associated with oversight of the CCR program.

CCR Program Implementation

In order to fully implement the permitting program as required by the federal CCR rule, it is estimated that DNR would require a total of six (6) FTE.

ASSUMPTION (continued)

Personnel

| Position | FTE | Duties |
|---|------------|--|
| Environmental Engineer I/II (at \$58,896 annually) | 2 | Permit modifications, groundwater monitoring reviews, groundwater corrective action planning and oversight, Inspections, website review, new cell construction review and analysis |
| Environmental Specialist I/II/III (at \$52,116 annually) | 1 | Groundwater monitoring, groundwater report reviews, inspections as needed |
| Environmental Specialist I/II/III (at \$52,116 annually) | 2 | Quarterly inspections for each of the 37 ponds, beneficial use inspections, investigation efforts |
| Geologist I/II/III (at \$56,520 annually) | 1 | Groundwater monitoring, groundwater corrective action, and geological and hydrological assessments for the siting of new CCR units |

ASSUMPTION (continued)

Revenue

| Unit Description | Count of Units | One Time Fee \$62,000/unit | One Time Fee \$48,000/Unit | Annual Fee \$15,000/unit |
|--|-----------------------|-----------------------------------|-----------------------------------|---------------------------------|
| Active/Not Yet Constructed Landfills | 9 | N/A | | \$135,000 |
| Operating Impoundments | 26 | \$1,612,000 | | \$390,000 |
| Impoundment Closed after 10-19-2015 (subject to CFR) | 5 | N/A | \$240,000 | N/A |
| Total | 40 | \$1,612,000 | \$240,000 | \$525,000 |

| | Number of CCR Units | 2019 | 2020 | 2021 |
|------------------------------|----------------------------|--------------------|------------------|------------------|
| One-time fee (\$48,000/unit) | 5 | \$240,000 | N/A | N/A |
| One-Time Fee (\$62,000/unit) | 26 | \$1,612,000 | N/A | N/A |
| Annual Fee (\$15,000/unit) | 35 | \$525,000 | \$525,000 | \$525,000 |
| Total | | \$2,377,000 | \$525,000 | \$525,000 |

§§260.262, 260.380 & 260.475

Officials at the **Department of Natural Resources (DNR)** assume the following regarding this proposal:

ASSUMPTION (continued)

Section 260.262 RSMo establishes the fifty cent fee on lead-acid batteries in Missouri. The fee is deposited into the Hazardous Waste Fund and is a significant component of the funding for the Hazardous Waste Program. The fee generates approximately \$741,000 annually to the Hazardous Waste Fund. The fee is currently set to expire on December 31, 2018. This proposal would extend the sunset date to December 31, 2023, a five year extension.

Section 260.262(5). This proposal will extend the \$0.50 fee on the sale of lead-acid batteries for five years from December 31, 2018 through December 31, 2023. Less collection costs by the retailer and the Department of Revenue, the department estimates approximately \$741,000 will be collected for the lead-acid battery fee annually as revenue to the Hazardous Waste Fund.

Oversight will show a positive fiscal impact in FY 2019 of \$370,500 based on the proposal which extends the fee beginning December 31, 2018. Oversight will show positive fiscal impacts in FY 2020 and FY 2021 in the amount of \$741,000.

Officials from the **Department of Health and Senior Services (DHSS)** assume the following regarding this proposal:

Section 260.262 of the proposed legislation extends the sunset on the collection of the lead-acid battery fee deposited into Hazardous Waste Fund until 2023.

Section 260.262.(5) allows the state to continue to collect revenue from fees on lead-acid batteries sold in the state. The Hazardous Waste Fund supports the Childhood Lead Poisoning Prevention Program, Health Risk Assessment Program, and Radon Assessment Program. Without the proposed legislation, revenues to the Hazardous Waste Fund would be reduced. This would result in fewer funds available for DHSS for activities such as working with parents and property owners to identify sources of lead exposure in homes with lead-poisoned children; determining potential health risks in communities where hazardous substance releases have occurred and providing recommendations for health protective actions; and assessing radon risks in homes and schools statewide.

DHSS's current appropriation from the Hazardous Waste Fund (0676) is \$275,665.

Section 260.380 of the proposed legislation adds an August 28, 2024, sunset provision to DNR hazardous waste generator fees that are deposited in the Hazardous Waste Fund.

Section 260.475 of the proposed legislation adds an August 28, 2024, sunset provision to hazardous waste land disposal fees that are deposited in the Hazardous Waste Fund.

ASSUMPTION (continued)

The DHSS receives appropriation from the Hazardous Waste Fund for various public health programs (Childhood Lead Poisoning Prevention Program, Health Risk Assessment Program, and Radon Assessment Program). The sunset proposed in both Sections 260.380 and 260.475 would reduce fees into the fund by approximately \$500,000 per year (per DNR website: <https://dnr.mo.gov/env/hwp/forum/fee-stakeholder.htm>). With the reduction in revenue to the fund, it is unknown if the appropriations to DHSS from this fund would continue.

§§260.391 & 260.558

Officials at the **Department of Natural Resources (DNR)** assume the following regarding this proposal:

Section 260.558.1 would establish the "Radioactive Waste Investigation Fund" and the state treasurer would be the custodian of the fund. The money would be used solely by the Department of Natural Resources to investigate concerns of exposure to radioactive waste upon written request by a local governing body. The request is to include a specified area of concern and any documentation related to the area of concern. The investigation may be performed by state or federal agencies, or by contractors selected through a bidding process. The Department will work with the applicable government agency or contractor to develop a sampling and analysis plan to determine if radioactive contaminants in the area of concern exceed federal standards for remedial action due to contamination. The samples shall be analyzed for the isotopes necessary to correlate the samples with the suspected contamination, as described in the sampling and analysis plan. Because the transfer to the fund for this work is capped at \$150,000 per fiscal year, the extent of sampling and analysis work required under this legislation is unknown, but will not be more than \$150,000 per fiscal year.

This legislation is open to any location within the state where a local governing body makes a decision to write a written request to the Department of Natural Resources expressing concerns regarding radioactive waste contamination. Therefore, it is difficult to estimate how many areas of the state would request such an investigation, and specifically what radioactive isotopes would be of concern for a specific area. In addition, it should be noted that there is no one "federal standard for remedial action due to contamination". When a site is identified as having radiological contamination, site specific risk based values are established for cleanup. This legislation's reference to a federal standard does not address how to determine if a site is contaminated or not.

ASSUMPTION (continued)

Section 260.558.2 would limit the transfer from the Hazardous Waste fund into the Radioactive Waste Investigation fund to \$150,000 per fiscal year. Any money remaining at the end of two years reverts back into the Hazardous Waste fund.

The proposed legislation does not have a sunset date. Therefore, it is assumed that any local governing body of the state could make a request at any point in the future. The proposed legislation does limit the maximum funding to \$150,000 per fiscal year. It is assumed this amount could be replenished into the fund annually as long as the requests and need to develop testing plans and sampling continued.

Currently, Hazardous Waste Fund expenditures annually exceed revenues by \$600,000 to \$1,800,000, eroding the fund balance. Based on current projections, the Department estimates the Hazardous Waste Fund will encounter fund solvency issues within the next 2-3 fiscal years.

§319.129

Officials from the **Petroleum Storage Tank Insurance Fund Board of Trustees (PSTIF)** assume the proposal would require the Department of Revenue (DOR) to continue collecting the transport load fee for another five years. The PSTIF Board of Trustees funds 1 FTE at DOR to collect this fee at an annual cost of approximately \$44,000. No impact to general revenue.

The majority of funding for the PSTIF's liabilities comes from the transport load fee, currently assessed at \$20 per 8,000 gallons on all fuel used in Missouri. Actuarial estimates indicate the current cash balance in the trust fund, plus anticipated revenues through the "sunset date" of 12/31/20, will be insufficient to meet long-term liabilities for all claims already filed plus those expected to be filed prior to the "sunset date." The estimated shortfall is approximately \$35 million. The PSTIF Board is currently considering an increase in the transport load fee, but is prohibited from increasing the fee more than \$15 per year. Even if a \$15 increase is implemented in 2018 and again in 2019, and a \$10 increase in 2020, (to the maximum allowed by law), it is likely the Trust Fund would have unfunded liabilities and would run out of cash in future years while "claims run out" is being paid. The bill would mitigate this long-term solvency issue by authorizing continued revenue into the PSTIF for an additional five years.

If the PSTIF "sunset" on 12/31/20, it is anticipated most or all insured tank owners who have never had a leak or filed a claim will have their property tested for "old pollution;" all of these claims would be filed in the next 36 months.

ASSUMPTION (continued)

If this bill is enacted, most or all of these claims would still likely be filed, but would be presented over a longer period of time; this would stretch payout of liabilities over more future years, which would affect the PSTIF's solvency in a positive way.

In addition, because the PSTIF Board would continue to insure tank owners for five more years, additional future liabilities would be incurred for leaks at insured sites occurring after 12/31/2020, and additional administrative costs will be incurred for insuring tank sites and processing new claims.

Oversight notes the Petroleum Storage Tank Insurance Fund (0585) balance as of June 30, 2017 was \$49,752,551. Over the past three calendar years (2015 - 2017), an average of \$11.5 million was collected for transport load fees. Oversight will reflect this average as a revenue extension for FY 2021 (6 months) through FY 2026.

§319.140

Oversight notes this section establishes the Task Force on the Petroleum Storage Tank Insurance Fund which is required to submit a report to the General Assembly by December 31, 2018 regarding the efficacy, sustainability and administration of the Petroleum Storage Tank Insurance Fund. This section expires December 31, 2018.

Oversight assumes there will be no fiscal impact from this section.

§§444.768, 444.772, 644.054 and 644.057

Officials from the **Department of Natural Resources (DNR)** assume the proposal will have no fiscal impact on their organization.

DNR states the following amounts have been collected for surface mining fees (§444.772) and deposited into the Mined Land Reclamation Fund (0906):

| | |
|--------------------|-----------|
| FY 2018 (6 months) | \$347,321 |
| FY 2017 | \$584,282 |
| FY 2016 | \$450,741 |
| FY 2015 | \$463,301 |

Oversight notes that the authority to collect the fees in Section 444.772, RSMo expires on December 31, 2018. This proposal extends that expiration date to December 31, 2024.

ASSUMPTION (continued)

Therefore, Oversight will reflect a revenue extension (continuance) of \$500,000 (average fee collected over the past three full fiscal years) each fiscal year for this proposal.

§640.620

Officials from the **Department of Natural Resources (DNR)** assume the proposal will have no fiscal impact on their organization.

DNR states the Rural Sewer Grant (RSG) program had previously been funded by State Water Pollution Control Bond Funds authorized by Missouri Constitution, Article III, Sections 37 (e) and (g). The RSG program as it is today began in SFY 2015 and is funded by Clean Water Administration fees. DNR was aware of communities who would be faced with upgrades to meet more stringent permit requirements.

These grants can be utilized for two types of wastewater construction projects: construct facilities to connect unsewered areas to a central wastewater treatment and collection system, or to fund the costs to upgrade improvements to meet more stringent requirements. These grants are limited to public sewer districts, public water districts, and communities with less than 10,000 population with geographical restrictions.

DNR notes that five of the grants were issued during CY 2015, six during CY 2016 and four during CY 2017.

The average amount of these grants is approximately \$256,000 and can range from \$19,000 to \$500,000.

Oversight assumes a \$0 to Unknown negative impact related to the increase in grant money available for certain individual water and sewer system projects.

§644.059

Officials from the **Department of Agriculture, Department of Natural Resources and Department of Health and Senior Services** each assume the proposal will have no fiscal impact on their respective organizations.

ASSUMPTION (continued)

Bill as a Whole

Officials from the **Office of the Secretary of State (SOS)** assume many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with the core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process.

Officials from the **Joint Committee on Administrative Rules** state that the proposal is not anticipated to cause a fiscal impact to their agency beyond its current appropriation.

Officials from the **Department of Revenue, Department of Labor and Industrial Relations, Office of the State Treasurer, Administrative Hearing Commission** and the **Metropolitan St. Louis Sewer District** each assume the proposal will have no fiscal impact on their respective organizations.

Officials from the **Attorney General's Office (AGO)** assume that any potential costs arising from this proposal can be absorbed with existing resources. AGO may seek additional appropriations if there is a significant increase in litigation.

FISCAL IMPACT -
State Government

| | FY 2019 (6 Mo.) | FY 2020 | FY 2021 | New Termination Date December 31, 2023 |
|---|---------------------------------------|-----------------------------------|-----------------------------------|---|
| HAZARDOUS WASTE FUND | | | | |
| <u>Revenue - DNR - lead-acid battery fee (\$260.262)</u> | \$370,500 | \$741,000 | \$741,000 | \$370,500 |
| <u>Transfer Out - to Radioactive Waste Investigation Fund (\$260.391)</u> | (Up to <u>\$150,000</u>) | (Up to <u>\$150,000</u>) | (Up to <u>\$150,000</u>) | (Up to <u>\$150,000</u>) |
| ESTIMATED NET EFFECT ON THE HAZARDOUS WASTE FUND | <u>Could exceed \$220,500</u> | <u>Could exceed \$591,000</u> | <u>Could exceed \$591,000</u> | <u>Could exceed \$220,500</u> |
| MINED LAND RECLAMATION FUND | | | | |
| <u>Revenue Extension - DNR - Extension of Fee from 12/31/18 to 12/31/2024 (\$444.772)</u> | <u>\$250,000</u> | <u>\$500,000</u> | <u>\$500,000</u> | <u>\$500,000</u> |
| ESTIMATED NET EFFECT ON THE MINED LAND RECLAMATION FUND | <u>\$250,000</u> | <u>\$500,000</u> | <u>\$500,000</u> | <u>\$500,000</u> |

FISCAL IMPACT -

| <u>State Government</u> (continued) | FY 2019 (6 Mo.) | FY 2020 | FY 2021 | New Termination Date December 31, 2023 |
|---|--------------------|---------|---------|---|
|---|--------------------|---------|---------|---|

**PETROLEUM
 STORAGE TANK
 INSURANCE
 FUND**

Revenue - PSTIF
 Board of Trustees -
 Extension of
 transport load fee
 from 12/31/2020 to
 12/31/2025
 (\$319.129)

| | | | |
|------------|------------|--------------------|---------------------|
| <u>\$0</u> | <u>\$0</u> | <u>\$5,750,000</u> | <u>\$11,500,000</u> |
|------------|------------|--------------------|---------------------|

**ESTIMATED NET
 EFFECT ON THE
 PETROLEUM
 STORAGE TANK
 INSURANCE
 FUND**

| | | | |
|------------|------------|--------------------|---------------------|
| <u>\$0</u> | <u>\$0</u> | <u>\$5,750,000</u> | <u>\$11,500,000</u> |
|------------|------------|--------------------|---------------------|

FISCAL IMPACT -

| <u>State Government</u> (continued) | FY 2019 (6 Mo.) | FY 2020 | FY 2021 | New Termination Date December 31, 2023 |
|---|--------------------|---------|---------|---|
|---|--------------------|---------|---------|---|

**RADIOACTIVE
 WASTE
 INVESTIGATION
 FUND**

| | | | | |
|--|--------------------|--------------------|-----------------|-----------------|
| <u>Transfer In</u> - from Hazardous Waste Fund | Up to \$150,000 | Up to \$150,000 | Up to \$150,000 | Up to \$150,000 |
|--|--------------------|--------------------|-----------------|-----------------|

| | | | | |
|--|------------------------------|------------------------------|------------------------------|--------------------------|
| <u>Cost</u> - DNR - to investigate concerns of exposure to radioactive waste - costs include soil samples, dust samples, design of testing plan, contract labor, etc. - limited to \$150,000 per year per (§260.558.2) | <u>(Up to \$150,000)</u> | <u>(Up to \$150,000)</u> | <u>(Up to \$150,000)</u> | <u>(Up to \$150,000)</u> |
|--|------------------------------|------------------------------|------------------------------|--------------------------|

**ESTIMATED NET
 EFFECT ON THE
 RADIOACTIVE
 WASTE
 INVESTIGATION
 FUND**

| | | | |
|------------|------------|------------|------------|
| <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
|------------|------------|------------|------------|

FISCAL IMPACT -

| <u>State Government</u> (continued) | FY 2019 (6 Mo.) | FY 2020 | FY 2021 | New Termination Date December 31, 2023 |
|---|--------------------|---------|---------|---|
|---|--------------------|---------|---------|---|

**SOLID WASTE
 MANAGEMENT
 FUND - COAL
 COMBUSTION
 RESIDUALS
 SUBACCOUNT**

| | | | | |
|---|-------------|-----------|-----------|-----------|
| <u>Revenue</u> - DNR - fees for CCR units (\$260.242) | \$2,377,000 | \$525,000 | \$525,000 | \$525,000 |
|---|-------------|-----------|-----------|-----------|

| | | | | |
|--------------------------------|--------------------|--------------------|--------------------|--------------------|
| <u>Costs</u> - DNR | | | | |
| Personal Services | (\$165,330) | (\$333,967) | (\$337,306) | (\$340,679) |
| Fringe Benefits | (\$103,043) | (\$163,916) | (\$164,908) | (\$165,910) |
| Equipment and Expense | (\$7,580) | (\$32,103) | (\$32,905) | (\$33,728) |
| <u>Total Expenses</u> - DNR | <u>(\$344,177)</u> | <u>(\$529,956)</u> | <u>(\$535,119)</u> | <u>(\$540,317)</u> |
| FTE Change - DNR | 6 FTE | 6 FTE | 6 FTE | 6 FTE |

| | | | | |
|--|---------------------------|-------------------------|--------------------------|--------------------------|
| ESTIMATED NET EFFECT ON THE SOLID WASTE MANAGEMENT FUND - COAL COMBUSTION RESIDUAL SUBACCOUNT | <u>\$2,032,823</u> | <u>(\$4,986)</u> | <u>(\$10,119)</u> | <u>(\$15,317)</u> |
|--|---------------------------|-------------------------|--------------------------|--------------------------|

| | | | | |
|--|-------|-------|-------|-------|
| Estimated Net FTE Change on the Solid Waste Management Fund - Coal Combustion Residual Subaccount | 6 FTE | 6 FTE | 6 FTE | 6 FTE |
|--|-------|-------|-------|-------|

FISCAL IMPACT -

| | | | | |
|---|--------------------|---------|---------|---|
| <u>State Government</u> (continued) | FY 2019 (6 Mo.) | FY 2020 | FY 2021 | New Termination Date December 31, 2023 |
|---|--------------------|---------|---------|---|

**STATE PARKS
EARNINGS FUND**

| | | | | |
|---|--|--|---------------------------------------|---------------------------------------|
| <u>Costs</u> - DNR - Equipment and Expenses for fencing repairs and/or replacement (\$253.175) | \$0 or Exceeding <u>(\$40,993)</u> | \$0 or Exceeding <u>(\$50,422)</u> | \$0 or Exceeding <u>(\$51,683)</u> | \$0 or Exceeding <u>(\$51,683)</u> |
|---|--|--|---------------------------------------|---------------------------------------|

| | | | | |
|---|---|---|---|---|
| ESTIMATED NET EFFECT TO STATE PARKS EARNING FUND | \$0 or Exceeding <u>(\$40,993)</u> | \$0 or Exceeding <u>(\$50,422)</u> | \$0 or Exceeding <u>(\$51,683)</u> | \$0 or Exceeding <u>(\$51,683)</u> |
|---|---|---|---|---|

**WATER
PROTECTION
FUND**

| | | | | |
|---|----------------------------|----------------------------|----------------------------|-------------------------|
| <u>Cost</u> - DNR - Possible increase in grant totals due to increase in per connection grant limit from \$1,400 to \$3,000 (\$640.620) | \$0 to <u>(Unknown)</u> | \$0 to <u>(Unknown)</u> | \$0 to <u>(Unknown)</u> | \$0 to <u>(Unknown)</u> |
|---|----------------------------|----------------------------|----------------------------|-------------------------|

| | | | | |
|--|------------------------------------|------------------------------------|------------------------------------|--------------------------------|
| ESTIMATED NET EFFECT ON THE WATER PROTECTION FUND | \$0 to <u>(Unknown)</u> | \$0 to <u>(Unknown)</u> | \$0 to <u>(Unknown)</u> | <u>\$0 to (Unknown)</u> |
|--|------------------------------------|------------------------------------|------------------------------------|--------------------------------|

| <u>FISCAL IMPACT -</u> | New Termination | | | |
|-------------------------|-----------------|------------|------------|-------------------|
| <u>Local Government</u> | FY 2019 | FY 2020 | FY 2021 | Date |
| | (6 Mo.) | | | December 31, 2023 |
| | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |

FISCAL IMPACT - Small Business

Retail facilities that sell lead-acid batteries will continue to collect the fee as allowed under this legislation and transfer the fees and remittance reports to the Department of Revenue. They will continue to retain 6% of the fees for collection costs.

Small businesses that purchase lead-acid batteries will continue to be subject to the \$.50 fee on each battery purchased.

FISCAL DESCRIPTION

This proposed legislation requires the Division of State Parks within the Department of Natural Resources to maintain the fence coinciding with the boundary between individual landowner property and the historic Missouri Rock Island railroad corridor, with costs being paid by the State Park Earnings Fund. Nothing in this act shall be construed to require an individual landowner to locate a fence on his or her own property.

This proposed legislation extends from December 31, 2018, to December 31, 2023, the \$.50 fee that is collected on the retail sale of a lead-acid battery as well as the fees for any hazardous waste generated.

The proposed bill directs DNR to amend or create regulations that are as protective but not more restrictive (with limited exceptions) than 40 CFR Part 257 or successor regulations promulgated under Section 1008(a)(3) and 4004(a) of the Resource Conservation and Recovery Act (RCRA).

Beginning January 1, 2019, the Department of Natural Resources may require each owner, operator, or permittee of a coal combustion residual (CCR) unit to pay a fee. For units that are not closed, the DNR may assess an enrollment fee of \$62,000 per unit, and a fee of \$48,000 for unit that are closed. DNR may assess an annual fee of \$15,000. Fees will be credited to the Coal Combustion Residuals Subaccount of the Solid Waste Management Fund.

FISCAL DESCRIPTION (continued)

This program is a duplicate of the Department of Natural Resources' Solid Waste Management Program which currently implements the laws and regulations applying to utility waste landfills under the authority of the Missouri Solid Waste Management Law and regulations. Landfills where coal combustion residuals are disposed of are classified as utility waste landfills under state statutory and regulatory definitions and are subject to regulation accordingly.

The proposed legislation changes the maximum amount of a grant that may be issued by the Department of Natural Resources for financing certain utility projects from \$1,400 per connection to \$3,000 per connection.

The proposed legislation creates the Task Force on the Petroleum Storage Tank Insurance Fund.

Currently, several Department of Natural Resources fees expire December 31, 2018. This bill extends, until December 31, 2024, the expiration of the hazardous waste generator permits, land reclamation permits, and water pollution control permits. The bill also repeals the expired provisions requiring a comprehensive review, with stakeholders, of the water pollution control permits structure.

This bill creates the "Radioactive Waste Investigation Fund" to be used by the Department of Natural Resources to investigate concerns of exposure to radioactive waste. Upon request of a local governing body, the department will use the money in the fund to investigate and collect soil and dust samples. The department will work with local officials to design a testing plan, including collecting at least 500 samples within a one-mile radius, that will provide conclusive evidence to determine if the area is contaminate, and report the results to the body that requested the investigation. The maximum transfer of \$150,000 each fiscal year is authorized from the Hazardous Waste Fund.

Currently, the Petroleum Storage Tank Insurance Fund is set to expire on December 31, 2020, after which claims made prior to such date may continue to be paid. This act extends such expiration to December 31, 2025.

This bill specifies that agricultural storm water discharges and return flows from irrigated agriculture are exempt from permitting requirements under the Missouri Clean Water Law and should not be considered unlawful unless the discharges have entered the waters of the state and rendered the waters harmful, detrimental, or injurious to public health, safety, or welfare, to industrial or agricultural uses, or to wild animals, birds or fish.

FISCAL DESCRIPTION (continued)

Nothing in this bill should be construed to effect, limit, or supersede any law or regulation of concentrated animal feeding operations.

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

SOURCES OF INFORMATION

Department of Natural Resources
Department of Health and Senior Services
Department of Labor and Industrial Relations
Office of the Secretary of State
Joint Committee on Administrative Rules
Department of Revenue
Petroleum Storage Tank Insurance Fund Board of Trustees
Department of Agriculture
Office of the State Treasurer
Administrative Hearing Commission
Attorney General's Office
Metropolitan St. Louis Sewer District

Ross Strope



Acting Director
June 20, 2018