

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2600-03
Bill No.: SB 1072
Subject: Agriculture and Animals: Environmental Protection
Type: Original
Date: February 25, 2002

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Natural Resources Protection	(\$27,000 to \$57,000)	(\$27,000 to \$57,000)	(\$27,000 to \$57,000)
Total Estimated Net Effect on <u>All</u> State Funds	(\$27,000 to \$57,000)	(\$27,000 to \$57,000)	(\$27,000 to \$57,000)

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Local Government			

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Department of Natural Resources** that the proposal would require the Clean Water Commission's staff to go through a stakeholder process on permit by rules or general permits prior to the development or renewal of permits.

It would also require aquaculture facilities to obtain a general permit.

Currently, the Department's Clean Water Commission staff have two options when a facility does not meet the criteria for a general permit. One is to require the facility to obtain a point-specific permit and the other is to open up the general permit to revise the requirements. The proposal would require that aquaculture facilities receive only general permits. Therefore, the proposal would reduce permitting options for aquaculture facilities.

Officials note that the \$250 maximum fee for permits for any aquaculture facility would cause a loss of income ranging from \$27,000 to \$57,000 per year to the Natural Resource Protection Fund.

Department of Natural Resources officials also stated that the proposal may jeopardize the state's EPA delegation in clean water by removing the authority of the state to require a site-specific permit when the general permit is deemed ineffective at protecting waters of the state. The Clean Water Act states: "The administrator shall approve each submitted (permitting) program unless he determines that adequate authority does not exist: (1) To issue permits which - (C) can be terminated or modified for cause including, but not limited to, the following: (i) violation of any condition of the permit; (ii) obtaining a permit by misrepresentation, or failure to disclose fully all relevant facts; (iii) change in any condition that requires either a temporary or permanent reduction or elimination of the permitted discharge." This portion of the federal law clearly requires the state to be able to revoke a general permit (and consequently require a site-specific permit) in the event one or more of the above conditions exist.

Officials of the **Missouri Department of Conservation** have not yet responded to this proposal.

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
NATURAL RESOURCES PROTECTION FUND			
<u>Loss - Department of Natural Resources</u>			
Permit Fees	(\$27,000 to \$57,000)	(\$27,000 to \$57,000)	(\$27,000 to \$57,000)

ESTIMATED NET EFFECT ON NATURAL RESOURCES PROTECTION FUND	<u>(\$27,000 to \$57,000)</u>	<u>(\$27,000 to \$57,000)</u>	<u>(\$27,000 to \$57,000)</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
	\$0	\$0	\$0

FISCAL IMPACT - Small Business

Small businesses which own or operate aquaculture facilities would be affected by this proposal.

DESCRIPTION

This proposal would revise provisions relating to water permitting. It would add provisions for permitting of aquaculture facilities. Aquaculture would be defined as the controlled propagation, growth, and harvest of aquatic organisms.

The proposal would also provide procedures for the Director of Natural Resources to issue general permits or permits by rule. Before issuing a general permit or permit by rule the Director would hold meetings with permit holders, applicants and the public to evaluate pollution impacts of pollutants. After the meetings the Director would draft the permit considering the comments of the meeting and post it for public comment. Interested parties could request a hearing on the draft permit and comment on issues of significant technical merit and concerns related to Missouri clean-water law. The Clean Water Commission, after consideration of the comments, would issue the final permit. The time between the request for the hearing and the hearing date would not be calculated for purposes of the time frames in which a permit must be issued.

(Current law requires the Director of Natural Resources to, when issuing or renewing a permit, consider factors, comments and recommendations as required by sections 644.006 to 644.141 or any federal water pollution control act. The Director must also deny a permit if any source would violate any state law or any federal provision which the state is required to enforce.)

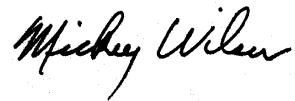
The Director could not require aquaculture facilities to obtain site-specific permits but would grant them general permits. The fee for aquaculture facilities would be no more than \$250.

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

SOURCES OF INFORMATION

Department of Natural Resources

Not Responding: Missouri Department of Conservation



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Acting Director
February 25, 2002