

Department of Planning and Budget 2001 Fiscal Impact Statement

1. **Bill Number** HB 2827

House of Origin	<input type="checkbox"/> Introduced	<input checked="" type="checkbox"/> Substitute	<input checked="" type="checkbox"/> Engrossed
Second House	<input checked="" type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. **Patron** Pollard, Albert C.

3. **Committee** Agriculture, Conservation and Natural Resources

4. **Title** Health; Fees Collected from Generators of Sewage Sludge

5. **Summary/Purpose:** This bill would require the Board of Health to develop regulations requiring the collection of fees from persons who land-apply sewage sludge and from generators of sewage sludge that is land-applied in political jurisdictions within the Commonwealth that have adopted ordinances requiring local involvement in monitoring land application operations. No fee would be imposed on the marketing or distribution of exceptional quality biosolids (12 VAC 5-585-10). Proceeds from the fee would be used to reimburse direct costs necessary to monitor land application of sewage sludge by local governments that have adopted ordinances to ensure that the land application complies with state and local requirements. The amount of the fee shall not exceed the direct costs associated with the supervision of these activities.

6. **Fiscal Impact Estimates are unknown** (see item 8):

7. **Budget amendment necessary:** No. The legislation specifies that the costs will be supported in a dedicated special revenue fund so the appropriate costs and fees based on the resulting regulations would be entirely nongeneral fund.

8. **Fiscal implications:** It is difficult to project the amount of revenue that will be received in this new program. This will be subject to the regulations ultimately adopted by the Board of Health. This impact statement assumes that the language of the bill will result in regulations that require a sufficient fee to provide for program administration and local government personnel costs. If the proposal is intended to be far-reaching, i.e. collection and reimbursement of fees to the more than 30 counties that currently receive land application of biosolids, then the staffing requirements of the Virginia Department of Health to meet the program's demand would need to be increased.

The Virginia Department of Health estimates a minimum need for a full-time fiscal technician senior position to evaluate the local government land application monitoring effort to determine if they are necessary as provided by the fee regulation as established by the Board of Health and to reimburse the local government in proportion to the amount of dry biosolids applied in that locality. This position is estimated at a cost of \$49,600 to include 30% for fringe benefits. Annual travel costs of \$2,000 are tentatively projected to allow for visits to localities for monitoring purposes. An additional \$4,000 in annual support costs are included for supplies and materials, rent and other non-personal service costs. An additional \$5,000 is included in the first year to equip the position with a personal computer, phone and office furniture.

9. Specific agency or political subdivisions affected:

Virginia Department of Health

10. Technical amendment necessary: No

11. Other comments:

- ?? Approximately 150,000 dry tons of sewage is land applied annually.
- ?? Projected costs to localities will differ due to the level of involvement from county to county.
- ?? Reimbursement would most likely be in proportion to the amount of biosolids land-applied, which is difficult to predict due to the amount of farming done in a particular county.

Date: 02/6/01

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cc: Secretary of Health and Human Services

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