

## Department of Planning and Budget 2006 Fiscal Impact Statement

**1. Bill Number** HB 1055

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

**2. Patron** Reid

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

**4. Title** Virginia Clean Smokestacks Act

**5. Summary/Purpose:** The bill would establish a phased schedule for all electric generating units in Virginia to reduce their emissions of sulfur dioxide, nitrogen oxide, and mercury. The State Air Pollution Control Board would be charged with promulgating the regulations that require specific numerical reductions in each pollutant. The bill also would require each electric generating unit that is located within 1,000 meters of an occupied dwelling or body of water to complete a modeling analysis assessing the effects of emissions from the facility on the surrounding area. This analysis would have to be submitted to the Department of Environmental Quality, which would review each report. The Department would be required to implement a strategy to achieve reductions in mercury emissions. The strategy would have to be submitted by July 1, 2008 to the Governor, legislative oversight committees, and the State Air Pollution Control Board. The Department would also be required to conduct an analysis of the issues related to development and implementation of standards and programs to control emissions of carbon dioxide from stationary sources, which would be submitted to the legislative oversight committees by December 31, 2008.

**6. Fiscal impact:** There would be some costs to the Department of Environmental Quality (DEQ) associated with the requirements of the bill. However, depending upon the scope of the additional studies and plan development required, DEQ may be able to implement the provisions of the bill using existing resources.

**7. Budget amendment necessary:** See Item 6.

**8. Fiscal implications:** See Item 6.

**9. Specific agency or political subdivisions affected:** Department of Environmental Quality.

**10. Technical amendment necessary:** No.

**11. Other comments:** This bill is similar to SB 242 as introduced.

**Date:** 01/27/2006 / mar

**Document:** G:\LEGIS\2006\FIS\Hb1055.DOC

cc: Secretary of Natural Resources