

## Department of Planning and Budget 2008 Fiscal Impact Statement

**1. Bill Number:** HB1115

House of Origin	___	Introduced	___	Substitute	___	Engrossed
Second House	___	In Committee	___	Substitute	<u>X</u>	Enrolled

**2. Patron:** Abbitt

**3. Committee:** Passed Both Houses

**4. Title:** Payment for forest protection.

**5. Summary:** Payment for forest protection. Increases the annual amount a locality pays to the State Forester to provide forest fire protection, detection, prevention, and suppression from five cents to nine cents per acre over a period of two years.

**6. Fiscal Impact Estimates:**

**Revenue Impact:**

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2008	0	0	-
2009	260,000	0	NGF
2010	520,000	0	NGF
2011	520,000	0	NGF
2012	520,000	0	NGF
2013	520,000	0	NGF
2014	520,000	0	NGF

**7. Budget Amendment Necessary:** Yes, to Item 103 to appropriate the additional revenue.

**8. Fiscal Implications:** The Department of Forestry receives revenues from counties and certain municipalities for forest protection, forest fire detection, forest fire prevention and forest fire suppression. The counties and certain cities pay the agency, upon billing and proper documentation, an amount equal to five cents per acre for each acre protected. The last change to the cost occurred in 1988, or 20 years prior. Under the provisions of the bill, localities would pay an additional two cents in FY 2009 and an additional four cents beginning in FY 2010 and each year thereafter. The additional two cents in FY 2009 would generate an additional \$260,000 in revenue per year for the department; the additional four cents per acre would generate an additional \$520,000 in nongeneral fund revenue per year for the department.

The additional revenue will need to be appropriated in order for the agency to expend the funds; therefore, a budget amendment is necessary.

**9. Specific Agency or Political Subdivisions Affected:** Department of Forestry, localities.

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** None.

**Date:** 2/26/2008 dpbtmw

**Document:** G:\2008 Session\Fiscal Impact Statements\HB1115ER.Doc

cc: Secretary of Agriculture and Forestry