

Department of Planning and Budget 2009 Fiscal Impact Statement

1. Bill Number: HB2168

House of Origin ☐ Introduced ☒ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Howell, W.J.

3. Committee: Agriculture, Chesapeake, and Natural Resources

4. Title: Stormwater offsets

5. Summary: The substitute bill authorizes permit-issuing authorities to allow stormwater permit holders to comply with nonpoint nutrient runoff water quality criteria by acquiring offsite nonpoint nutrient offsets that have been certified under the Chesapeake Bay Nutrient Exchange Program. The credit offsets have to be (i) in the same or adjacent eight digit hydrologic unit code as defined by the United States Geological Survey, (ii) in a one-to-one ratio with the site's remaining post-development nonpoint nutrient runoff compliance requirement, and (iii) secured in perpetuity. The bill also requires an offset broker to pay the permit-issuing authority a fee equal to six percent of the amount paid by the permittee for the offsets.

6. Fiscal Impact Estimates: Indeterminate. See item 8.

7. Budget Amendment Necessary: No.

8. Fiscal Implications: The bill requires a nonpoint source pollution offset broker to pay a water quality enhancement fee of six percent of the amount paid for the offsets to the local permitting authority. If there is no local program, then the payment is deposited to the Virginia Stormwater Management Fund. The fee revenue cannot be determined at this time.

9. Specific Agency or Political Subdivisions Affected: Department of Conservation and Recreation, localities.

10. Technical Amendment Necessary: No.

11. Other Comments: The second enactment clause states that regulatory action is not necessary prior to implementation of the act; however, the Virginia Soil and Water Conservation Board may conform its regulations to the act through an exempt action and may adopt regulations through a nonexempt action.

Date: 2/6/2009 dpbkbs

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cc: Secretary of Natural Resources