

Department of Planning and Budget 2011 Fiscal Impact Statement

1. Bill Number: HB1495

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

2. Patron: Ware, O.**3. Committee:** Passed Both Houses**4. Title:** Erosion and sediment control; allows public service authorities to file specifications.

5. Summary: This bill allows public service authorities related to water and sewer lines to annually file general erosion and sediment control specifications with the Virginia Soil and Water Conservation Board (the Board). This bill also authorizes the Board to charge fees to recover costs associated with standard and specification review and approval, project inspections, and compliance.

Note: This statement is revised to correct for the fact that this bill is not identical to the enrolled version of SB1064. SB1064 specifies that the Department of Conservation and Recreation (DCR) is only authorized to charge a fee to recover costs associated with standards and specifications for those authorities created pursuant to § 15.2-5102, Code of Virginia. However, this bill (HB1495) authorizes DCR to charge fees to recover costs associated with standards and specifications for all entities included in the Code site amended by this bill (authorities created pursuant to § 15.2-5102, electric, natural gas and telephone utility companies, interstate and intrastate natural gas pipeline companies, and railroad companies).

6. Budget Amendment Necessary: No, any necessary changes to the agency's nongeneral fund appropriation may be made administratively. See Item 8, below.

Revenue Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Fund</i>
2011	\$0	n/a
2012	\$24,000	Nongeneral
2013	\$24,000	Nongeneral
2014	\$24,000	Nongeneral
2015	\$24,000	Nongeneral
2016	\$24,000	Nongeneral
2017	\$24,000	Nongeneral

7. Fiscal Impact Estimates: Final.

- 8. Fiscal Implications:** This bill adds authorities created pursuant to § 15.2-5102, Code of Virginia, as entities that may submit annual general erosion and sediment control specifications for water and sewer lines to the Board for its review and approval. The potential authorities affected include water authorities, sewer authorities, sewage disposal authorities, stormwater control authorities, refuse collection and disposal authorities, or any combination or parts thereof that have been created by the governing body of one or more localities.

It is not known how many authorities will opt to file a general erosion and sediment control specification as is authorized by this bill. However, each authority that elects to submit specifications will increase the current workload for DCR; the state agency that serves as staff to the Board.

In 2010, DCR reviewed 24 annual standards and specifications for the group of customers included in the Code site amended by this bill: electric, natural gas and telephone utility companies, interstate and intrastate natural gas pipeline companies, and railroad companies. The average annual cost per review of each standard and specification submitted was approximately \$1,140; DCR currently absorbs these costs within its operating budget. It is assumed that any additional standards or specifications filed by authorities would result in a similar cost to DCR.

This bill authorizes DCR to charge fees equal to the lower of (i) \$1,000 or (ii) an amount sufficient to cover costs associated with the annual standards and specifications review and approval, project inspections, and compliance. Instead of doing other priorities, DCR currently absorbs these costs within its operating budget. Based on the 2010 workload of 24 standards and specifications submitted for DCR review, this bill could generate revenue of approximately \$24,000 per year. Due to the uncertainty of how many authorities will submit additional standards and specifications, as authorized by this bill, it not possible to estimate the additional costs or revenues from these submissions and so they are not reflected in fiscal estimates included in this statement. Any necessary increase to the agency's nongeneral fund appropriation resulting from these fees may be made administratively.

- 9. Specific Agency or Political Subdivisions Affected:** Department of Conservation and Recreation.
- 10. Technical Amendment Necessary:** Yes. If it is the intent to make HB1495 and SB1064 identical, then an amendment would be needed on line 56 of HB1495 or on line 59 of SB1064, relating to who is subject to the fee to recover costs.
- 11. Other Comments:** This bill is similar to the enrolled version of SB1064.

Date: March 8, 2011

c: Secretary of Natural Resources