

Department of Planning and Budget

2014 Fiscal Impact Statement

1. **Bill Number:** HB1006-ER

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

2. **Patron:** Byron

3. **Committee:** Passed Both Houses

4. **Title:** Update of the Probably Maximum Precipitation level.

5. **Summary:** Directs the Department of Conservation and Recreation to utilize a storm-based approach in order to derive the Probable Maximum Precipitation (PMP) level for locations in the Commonwealth. By updating the PMP, it is anticipated that dam owners will have significant cost savings in spillway construction and remediation efforts. The bill also allows owners of impoundment structures with spillway design inadequacies, who maintain coverage under a Conditional Operation and Maintenance Certificate in accordance with the Board's Impounding Structure Regulations (4VAC50-20), to not be required to rehabilitate the spillway of their impounding structure until the analysis has been completed and reviewed by the Virginia Soil and Water Conservation Board. Such owners shall remain subject to all other requirements of the Dam Safety Act (§ 10.1-604 et seq.) and regulations.

This bill also contains an emergency clause.

6. **Budget Amendment Necessary:** Yes, Item 357 (HB30/SB30). The General Provisions Section of the Appropriation Act authorizes the Director, Department of Planning and Budget, to appropriate nongeneral funds. Therefore, the expenditure impact could also be addressed administratively.

7. **Fiscal Impact Estimates:** Preliminary, see Item 8.

7a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2014	\$0	N/A	-
2015	\$0	\$323,333	NGF
2016	\$0	\$161,667	NGF
2017	\$0	N/A	-
2018	\$0	N/A	-
2019	\$0	N/A	-
2020	\$0	N/A	-

8. Fiscal Implications: According to the Department of Conservation and Recreation, the estimated cost of the study is about \$485,000, and is anticipated to take about eighteen months to complete. The enactment clause of the bill notes that, in addition to other funds available, the Department is authorized to utilize up to \$500,000 in unobligated balances in the Dam Safety, Flood Protection Assistance Fund (total FY 2013 year-end balance was \$617,978) or the Dam Safety Administrative Fund (total FY 2013 year-end balance was \$195,708). The nongeneral fund support for the study is spread between FY 2015 and FY 2016.

The Department anticipates employing a contractor to analyze and update the Probable Maximum Precipitation (PMP) for locations and watersheds within or effecting the Commonwealth in order to provide more accurate information upon which an impounding structure owner's or operator's spillway construction or remediation design is based. More recent storms can be analyzed and new analytical methods used to determine new site-specific or regionalized PMP levels across the state. The Existing National Weather Service PMP studies were completed over 30 years ago.

9. Specific Agency or Political Subdivisions Affected: The Department of Conservation and Recreation and dam owners.

10. Technical Amendment Necessary: No.

11. Other Comments: This bill is a companion to SB582.

Date: 03/11/2014
HB1006ER.doc/jlm

cc: Secretary of Natural Resources