

## Department of Planning and Budget

### 2020 Fiscal Impact Statement

**1. Bill Number:** SB1064

<b>House of Origin</b>	<input 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 checked="" type="checkbox"/> Enrolled

**2. Patron:** Stuart

**3. Committee:** Passed both Houses

**4. Title:** Department of Environmental Quality; combined sewer overflow outfalls; James River watershed.

**5. Summary:** Requires that the owner or operator of any combined sewer overflow (CSO) system east of Charlottesville that discharges into the James River watershed submit to the Department of Environmental Quality (DEQ), by July 1, 2021, an interim plan detailing all actions they can initiate by July 1, 2022, to address the requirements of any consent special order issued by the State Water Control Board (the Board) regarding the CSO system; and, by July 1, 2024, a final plan detailing all actions they will take to satisfy such requirements. The bill also requires that the owner or operator initiate and complete activities pursuant to both plans in specific timeframes.

The bill further requires that CSO system owners or operators provide detailed progress reports to DEQ annually, including the funding history of the CSO system and future funding needs, along with funding requests. DEQ is to transmit such information, along with appropriate supplementary information, to the Chairmen of the Senate Committee on Finance and Appropriations, the Senate Committee on Agriculture, Conservation and Natural Resources, the House Committee on Appropriations, and the House Committee on Agriculture, Chesapeake and Natural Resources; the Virginia delegation to the Chesapeake Bay Commission; the Secretary of Natural Resources; and the Governor by January 1 of each year. The Governor is to take into account these reports during the preparation of the biennial budget bill and any subsequent amendments. The General Assembly may take such reports into account in enacting the general appropriation act and may evaluate and modify project deadlines on a biennial basis beginning in 2022. The bill also provides that the Board may consider granting a requested extension of planned deadlines if the General Assembly has not provided such extension, and if the owner or operator has exhausted all reasonable options and failed to secure funding to meet project deadlines.

**6. Budget Amendment Necessary:** No.

**7. Fiscal Impact Estimates:** Final. See item 8.

- 8. Fiscal Implications:** This bill requires DEQ to assist the owner or operator of a CSO system east of Charlottesville that discharges into the James River watershed in developing the interim and final plans required by the bill and in identifying available sources of funding and financing for the projects or phases identified in the plans. It is anticipated that DEQ can absorb any costs incurred in performing the functions required of the agency by this bill.

Additionally, this bill requires that the owner or operator submit annual progress reports to DEQ, and that the reports include an assessment of funding needs in future years with a request that appropriation amounts necessary to implement the provisions of this bill be included in the budget bill. This bill states that the Governor is to take into account the reports during the preparation of budget bills. Any need for funding that may be identified or requested under this provision is indeterminate.

- 9. Specific Agency or Political Subdivisions Affected:** Department of Environmental Quality; City of Richmond; Governor; General Assembly.

- 10. Technical Amendment Necessary:** No.

- 11. Other Comments:** According to DEQ, this bill is anticipated to apply to the City of Richmond only, which has 26 separate overflow points.