

Department of Environmental Quality 2011 Fiscal Impact Statement

1. Bill Number HB 1623H1

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

2. Patron Knight

3. Committee House Committee on Agriculture, Conservation and Natural Resources

4. Title Impacts to wetlands

5. Summary: Provides that no individual or general Virginia Water Protection Permit (VWPP) is required to be issued for a project's impacts to wetlands if the U.S. Army Corps of Engineers has issued an individual wetlands permit.

6. Budget amendment necessary: No.

7. Fiscal impact estimates:

7a. Expenditure Impact: None. Based on workload analysis data obtained in 2009-10, eliminating this permitting activity represents only a 3 percent reduction in overall VWPP staff time. VWPP staff will still conduct Clean Water Act Section 401 certification activities for Federal-only Individual Permits

7b. Revenue Impact:

| <i>Fiscal Year</i> | <i>Dollars</i> | <i>Fund</i> |
|--------------------|----------------|-------------|
| 2012 | (\$300,000) | 0914 |
| 2013 | (\$300,000) | 0914 |
| 2014 | (\$300,000) | 0914 |
| 2015 | (\$300,000) | 0914 |
| 2016 | (\$300,000) | 0914 |
| 2017 | (\$300,000) | 0914 |

8. Fiscal implications

This will result in a reduction in VWPP application revenue for Individual permits. Average VWPP application annual revenues over the past six years are \$637,000, of which half of the revenue was from Individual permits. DEQ will lose approximately \$300,000 annually with no reduction in expenditure, resulting in a significant impact on program funding. Individual permit fees are determined on a per acre basis assessed on a sliding scale based on size of impacts pursuant to 9 VAC 25-20-110.C, 9 VAC 25-20-120.3 and 9 VAC 25-20-130.3. Revenue reductions are not projected until FY 2012; because, as amended, the provisions of this subsection shall not apply to any permit application received by the Department of Environmental Quality prior to July 1, 201.

9. Specific agency or political subdivisions affected: Department of Environmental Quality.

10. Technical amendment necessary: No.

11. Other comments: SB 885 is similar to this bill.

Date: 1/25/2011