

Department of Planning and Budget 2011 Fiscal Impact Statement

1. Bill Number: SB1064

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

2. Patron: Edwards

3. Committee: Agriculture, Chesapeake, and Natural Resources

4. Title: Erosion and sediment control plans; local waste, water, and sewer authorities.

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.

6. Budget Amendment Necessary: Yes, Item 351, see item 8, below.

7. Fiscal Impact Estimates: Preliminary.

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

8. Fiscal Implications: This bill specifies that authorities created pursuant to § 15.2-5102, Code of Virginia, 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 the Department of Conservation and Recreation (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. 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, 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.

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

10. Technical Amendment Necessary: No.

11. Other Comments: This bill is identical to HB1495 except HB1495 does not authorize DCR to charge a fee to cover the costs associated with standard and specification review and approval, project inspections, and compliance.

Date: February 8, 2011