

Department of Planning and Budget 2015 Fiscal Impact Statement

1. **Bill Number:** HB1364

House of Origin X Introduced Substitute Engrossed
Second House In Committee Substitute Enrolled

2. **Patron:** Peace

3. **Committee:** Agriculture, Chesapeake and Natural Resources

4. **Title:** Industrial wastes; fees for testing and monitoring of land application.

5. **Summary:** Allows localities to adopt ordinances that provide for the testing and monitoring of the land application of industrial wastes. The bill requires the State Water Control Board (the Board) to adopt emergency regulations, requiring persons that land apply industrial wastes to collect a fee from the generator of the industrial wastes and remit the fee to the Department of Environmental Quality (DEQ). The fee cannot exceed the direct costs to localities of testing and monitoring the land application of industrial wastes. The bill requires the Board's regulations to include procedures for (i) collection of the fees by DEQ, (ii) deposit of the collected fees into the Sludge Management Fund (the Fund), and (iii) disbursements from the Fund to localities for the testing and monitoring of the industrial wastes.

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

7. **Fiscal Impact Estimates:** Preliminary.

8. **Fiscal Implications:** This bill would require persons that land apply industrial wastes to collect a fee from the generator of the industrial waste and remit the fee to the Department of Environmental Quality (DEQ). DEQ would then disburse the proceeds to reimburse localities for testing and monitoring of the land application of the industrial wastes. According to DEQ, this bill is revenue neutral, and the exact fee amounts cannot be determined. However, any increase in revenue received by DEQ would be offset in additional payments to localities.

There could be an increase in workload at DEQ for the payments to localities, but any additional cost could be absorbed with existing resources.

9. **Specific Agency or Political Subdivisions Affected:** The Department of Environmental Quality and any locality testing and monitoring of the land application of the industrial wastes

10. **Technical Amendment Necessary:** No.

11. **Other Comments:** There is an enactment clause that notes that the State Water Control Board shall promulgate regulations to implement the provisions of this act to be effective within 280 days of its enactment. This bill is identical to HB 1381.

Date: 01/15/2015

cc: Secretary of Natural Resources