Department of Planning and Budget
2017 Fiscal Impact Statement

1. **Bill Number:** SB1144

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

2. **Patron:** DeSteph

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

4. **Title:** Marine Resources Commission; oyster planting grounds; notice of application for lease.

5. **Summary:** Requires the Marine Resources Commission (the Commission) to post notice of an application to lease oyster planting grounds for 30 days on its website and to notify by mail the county or city in which the grounds are located, any current holders of adjoining leases, and riparian owners within 200 feet of the selected grounds. Current law requires posting of notice at the local courthouse for 60 days. The bill (i) reduces from four weeks to two weeks the period during which the Commission is required to publish weekly notice of the application in a newspaper and (ii) requires all forms of notice to invite written comments. The bill also provides that the applicant shall bear the cost of notice.

6. **Budget Amendment Necessary**: Yes, Item 379 (HB1500/SB900). See Item 8 below.

7. **Fiscal Impact Estimates:** Preliminary. See Item 8 below.

7a. Expenditure Impact:

Fiscal Year	*Dollars*	*Positions*	*Fund*
2017	$0	0	N/A
2018	$61,000	1	GF
2019	$56,000	1	GF
2020	$56,000	1	GF
2021	$56,000	1	GF
2022	$56,000	1	GF
2023	$56,000	1	GF

8. **Fiscal Implications:** The Marine Resources Commission (MRC) anticipates this bill will generate a large volume of additional records and recordkeeping that cannot be absorbed with existing resources in its Engineering and Surveying Department, responsible for surveying and mapping subaqueous ground for public and private shellfish cultivation, leasing private shellfish grounds, and maintaining oyster ground lease records. The bill requires MRC to conduct research to find all of the impacted parties, send notification letters, maintain records, and respond to applicants. Often these types of applications take months to be fully processed.

The Engineering and Surveying Department is general funded and any fees collected by the department are generally deposited to the general fund, except for the small amount of reimbursement monies MRC receives for survey work done for oyster ground leases. If the survey work payment is made in a subsequent fiscal year then even that money goes to the general fund as a prior year general fund reimbursement. This bill requires the applicant to pay the cost for advertising and a nominal processing fee which will be deposited to the general fund.

MRC will need an additional clerical staff person in its Engineering and Surveying Department to handle the large volume of additional records and recordkeeping that is anticipated to be generated by this bill. Salary and fringe benefits for an additional clerical staff person total $56,000 and will be ongoing. The first year includes one-time costs of $5,000 for a desk, chair, computer, etc.

9. **Specific Agency or Political Subdivisions Affected:** Marine Resources Commission

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

11. **Other Comments:** This bill is a companion to HB1496. HB2297 also amends the notice of application related to oyster planting grounds.