

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1978-03
Bill No.: Perfected HCS for HB 881
Subject: Natural Resources Department; Boards, Commissions, Committees, Councils
Type: Original
Date: April 24, 2013

Bill Summary: This proposal dissolves or changes the laws regarding numerous boards, commissions and councils within the Department of Natural Resources.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
General Revenue*	\$0	\$0	\$0
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

* transfer of revenue and expenditures from the Department of Natural Resources to the Department of Agriculture

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Land Survey*	\$0	\$0	\$0
Petroleum Storage Tank Insurance	\$0	\$212,325	\$302,225
Total Estimated Net Effect on Other State Funds	\$0	\$212,325	\$302,225

* transfer of revenue and expenditures from the Department of Natural Resources to the Department of Agriculture

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 22 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Department of Agriculture	11 FTE	11 FTE	11 FTE
Department of Insurance	2 FTE	2 FTE	2 FTE
Department of Natural Resources	(13 FTE)	(13 FTE)	(13 FTE)
Total Estimated Net Effect on FTE	0 FTE	0 FTE	0 FTE

Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

House Amendment 1

Oversight assumes this amendment makes the following changes to various sections of the proposal.

Section 260.200 - adds requirements for entities collecting solid waste.

Section 319.129 - makes technical corrections to the bill.

Removes sections 536.021 - 536.024 regarding rulemaking.

Removes section 640.019 allowing DNR to make fast track rules to comply with federal regulations.

Sections 640.065 and section 644.057 make technical corrections.

Section 1 requires state parks to hold annual meetings to address issues on policy.

Oversight assumes the changes from this amendment will not result in any change to the direct fiscal impact of this proposal

House Amendment 2

Oversight assumes this amendment makes the following changes to the proposal.

Oversight assumes this section 1 requires the Department of Natural Resources (DNR), beginning December 1, 2013, and annually thereafter to develop a list of all documents DNR uses to determine the issuance or permits, certifications, or modifications under state statute, state or federal agencies. The list is required to be submitted to the Joint Committee on Administrative Rules for review.

Oversight assumes the changes from this amendment will not result in any change to the direct fiscal impact of this proposal.

ASSUMPTION (continued)

House Amendment 3

Oversight assumes this amendment makes the following changes to the proposal.

Section 260.247 requires the cities of Blue Springs and Florissant, if the city intends to expand solid waste collection services into an area where collection services are provided by one or more entities, to put the expansion of solid waste collection services to a vote of the people in these communities where solid waste services would be expanded.

Oversight assumes this vote would occur at a regular local election and not require a local special election.

Oversight assumes the changes from this amendment will not result in any change to the direct fiscal impact of this proposal.

House Amendment 4

Oversight assumes this amendment makes the following changes to section 60.570 of the proposal.

Section 60.670 requires if the Land Survey Program is located in any building owned by a state agency or department, the program would not be liable for rent or any other costs related to the office space. The amendment also requires the building with the permanent headquarters of the Land Survey Program to be named the “Robert E. Myers Building”.

Oversight assumes the changes from this amendment will not result in any change to the direct fiscal impact of this proposal.

House Amendment 5

Oversight assumes this amendment makes the following changes to the proposal.

Section 640.080 relates to sampling and testing measures for E. Coli at Missouri beaches. The amendment requires signs posted to state, “Swimming is Not Recommended”, if Missouri beaches exceed the GM standard established by the amendment. DNR has the right to close the beach if a health risk is found.

ASSUMPTION (continued)

Oversight assumes any costs resulting from this amendment to DNR could be absorbed and the amendment will not change the direct fiscal impact of this proposal.

House Amendment 6

Oversight assumes this amendment makes the following changes to the proposal.

Section 537.556 is similar to HB 975 (2013), related to underground hard rock mining or hard rock milling civil actions.

In response to a similar proposal HB 975 (2013), officials from the **Department of Natural Resources, Department of Health and Senior Services, Office of State Courts Administrator, and Office of the Attorney General** each assumed this section of the amendment would not fiscally impact their respective agencies.

Section 640.230 relates to the donation of land or other property rights donated to the State of Missouri.

Oversight assumes the changes from this amendment will not result in any change to the direct fiscal impact of this proposal.

House Amendment 7

Oversight assumes this amendment makes the following changes to the proposal.

Section 644.029 relates to compliance schedules for permittees to make upgrades or changes to meet any new water quality standard established by DNR. DNR is required to give permittees an appropriate schedule of compliance, incorporate new water quality requirements into existing permits at the time of renewal, and all new permittees must meet any new standards or classifications prescribed by DNR.

Section 1 modifies the provisions of section 444.771 limitations on mining permits near an accredited school. This section of the amendment exempts the City of Jackson from this prohibition.

ASSUMPTION (continued)

In response to a similar proposal from this year (HB 944), officials from the **Department of Natural Resources (DNR)** assumed this proposal could prevent DNR from administering the provisions of the federal Clean Water Act.

DNR stated the proposal could impact the department's ability to implement new water quality standards through permits.

DNR was unable to determine a fiscal impact from this proposal.

Oversight assumes if additional water quality standards are placed on existing water permittees by DNR, and state or federal funds are available to the existing permittees, the existing permittee will make the required upgrades or changes to facilities.

Oversight assumes if additional water quality standards are placed on existing water permittees by DNR, and state or federal funds are not available to the existing permittees, the existing permittee can choose to meet the new water quality standards prescribed by DNR or wait until state and federal funding is available.

Oversight assumes any new permittees may be required to meet any new water quality standards prescribed by DNR.

Oversight assumes since the proposal is dependent upon the availability of state or federal funds and it is unknown whether these funds will be available, **Oversight** will show no direct fiscal impact to federal, state, or local funds.

Oversight assumes section 1 could have an indirect fiscal impact on the City of Jackson and small businesses in the City of Jackson, but would require action by an underground mining operation whose mine plan boundary is within one thousand feet of any real property where an accredited school has been located for at least five years prior to the application for permit.

For the purpose of the fiscal note, **Oversight** will assume the changes from this amendment will not result in any change to the direct fiscal impact of this proposal.

ASSUMPTION (continued)

House Amendment 8

Oversight assumes this amendment makes the following changes to the proposal.

Section 253.090 relates to the deposit of moneys into the “State Park Earnings Fund” and any interest earned being credited to the fund.

Oversight assumes the changes from this amendment will not result in any change to the direct fiscal impact of this proposal.

House Amendment 9

Oversight assumes this amendment makes the following changes to the proposal.

Section 260.205 is related to existing permitted utility waste landfills. If the utility waste landfill chooses to expand its landfill, a permit is not required for the expansion. Expansion plans must be submitted by the landfill to DNR.

Oversight assumes the changes from this amendment will not result in any change to the direct fiscal impact of this proposal.

§ 43.543 - Fingerprinting:

Officials from the **Department of Natural Resources (DNR)** state this part of the proposal provides a process for the department to check the person's criminal history through the Missouri State Highway Patrol's Missouri Criminal Records Repository and the Federal Bureau of Investigation's Federal Criminal History Files, if needed.

Oversight assumes the Missouri State Highway Patrol (MHP) receives an appropriation within its annual budget, to collect fingerprints for the purpose of completing background checks and checking the criminal history; from other state agencies. **Oversight** assumes this provision would result in no direct fiscal impact to DNR or MHP.

ASSUMPTION (continued)

§§ 60.510 - 60.670 Land Survey Program:

Officials from DNR responded as follows:

DNR states § 65.510, would make the Department of Agriculture (AGR) responsible for the land survey functions, duties and responsibilities rather than the Department of Natural Resources.

DNR states § 60.530, would make the state land surveyor reportable to AGR rather than the DNR, including all functions and duties as prescribed in §§ 60.510 to 60.610.

DNR states § 60.570, would remove liability from the Land Survey Program, of rent or any other costs associated with office space if the headquarters are located in any building owned by a state agency or department.

DNR notes, with the 1974 reorganization of state government, the Land Survey Program was established within the Division of Geology and Land Survey and was required to be located near the office of the state geologist because of shared interests in accurate maintenance of the land corners and geodetic markers that form the basis of property ownership within Missouri.

DNR states, § 60.570, RSMo, requires the land survey program to be located near the state geological survey. The changes to § 60.570 indicate that if the land survey program headquarters are located in any building owned by a state agency or department, the land survey program shall not be liable to that agency or department for rent or any other costs associated with the office space.

DNR assumed this refers to current office furniture and cubicles. Should the Land Survey Program remain in DNR owned facilities, AGR will pay the costs associated with occupying the space including, but not limited to, rent, utilities, maintenance and repair or renovations initiated by AGR.

Oversight assumes should the Land Survey Program remain in a DNR owned facility or be placed in another state agency facility, after the duties have been transferred to AGR. AGR would not be liable to DNR, or any other state agency, for rent, or any other costs associated with the office space used by AGR for the Land Survey Program.

DNR states § 60.595, would change the name of the Department of Natural Resources Revolving Fund to the Department of Agriculture Revolving Services Fund. Administrative duties for the fund would also transfer to AGR, rather than DNR, including fund income and expenditure

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ASSUMPTION (continued)

reporting. As of January 31, 2013, the Land Survey portion of the Revolving Services Fund had a cash balance of \$314,912 and a FY 14 expense and equipment allocation of \$80,000.

DNR states §60.620 would transfer the creation of the Land Survey Committee to within AGR, rather than DNR.

DNR states §60.670 would make AGR responsible for the promulgation of rules and regulations for digital cadastral parcel mapping, rather than DNR.

DNR notes, the Land Survey Authority was created by statute in 1969 and supported by a \$1 recording fee collected by the offices of county recorders of deeds. This fee remains unchanged to this day.

DNR assumes the current program staffing levels of 11 FTE, \$439,477 of personal services plus pay plan, \$223,143 fringe and \$72,100 of Expense & Equipment planned spending plus \$180,000 Program Specific Distribution appropriation authority would transfer to AGR. DNR assumes AGR will become responsible for the Missouri Land Survey Fund.

DNR notes, the land survey program supports .50 FTE for AOSA receptionist duties and .50 FTE of a laborer II who performs janitorial/maintenance work in support of the office space currently occupied by the land survey program. These duties will remain within DNR due to the size of the building supported and should not transfer to the Department of Agriculture. The department assumes a general revenue request will be made to replace the funding for staff previously supported by the Land Survey Fees.

DNR states there are two employees within the Division of State Parks (DSP) who conduct surveys of State Parks' boundaries and are supervised by staff within the Land Survey Program. DNR assumes that staff within the Land Survey Program would continue to work with State Parks as it relates to State Parks boundary surveys.

DNR states the Natural Resources Revolving Services Fund (RSF) is used for a number of purposes other than the purchase of goods or services for reproducing land survey documents for distribution. DNR is allowed to publish maps and publications for resale as well as simplify funding for inter-divisional cooperative agreements such as for laboratory services, core library fees, workshops, conferences, and other central services. Revenue, expenditures and cash balances are tracked separately for each of the activities utilizing the RSF.

ASSUMPTION (continued)

DNR assumes only the appropriation and cash associated with land survey activities within the Revolving Services Fund would be utilized by the Department of Agriculture.

DNR assumes the RSF would continue to be utilized by DNR for all existing RSF activities (i.e. no change for DNR) until such time as a new revolving services fund can be established for DNR

DNR assumes appropriation, FTE, and cash balances attributable to activities not related to the Land Survey Program will transfer to DNR's newly established revolving services fund.

Oversight assumes any costs incurred by the Department of Agriculture to implement this proposal would be offset by decreases in costs at the Department of Natural Resources.

Oversight will use the net fiscal impact provided by the Department of Natural Resources for the Land Survey Program.

§ 236.410 - Dam and Reservoir Safety Council:

DNR states section 236.410 would require there to be one member from each of the five United States congressional districts in this state with the highest number of dams on the Dam and Reservoir Safety Council. Additionally, the council would be responsible for preparing and presenting an annual report to the general assembly by December 31st of each year. DNR does not anticipate a fiscal impact as a result of this section of the proposal.

§§ 253.010, 253.032, 253.035, 253.040, 253.412, and 258.010 - Missouri State Parks Commission:

DNR states, these sections of the proposal would transfer the powers of the Missouri State Park Board established in 86-26 to the Missouri State Parks Commission. The Missouri Trails Advisory Board, Missouri Advisory Council on Historic Preservation, and the State Interagency Council for Outdoor Recreation shall report to the Missouri State Parks Commission established in this proposal. DNR would not anticipate significant fiscal impact as a result of these provisions.

§§ 260.200 and 260.205 - Solid Waste Management Disclosure Statements:

DNR assumes the part of the proposal related to Violation History Disclosure Statements is intended to clarify the existing statutory language for information to be submitted and allow the department to work with solid waste permitted facilities to reduce the amount of time dedicated

ASSUMPTION (continued)

to completing the initial submission and annual updates as well as the number of documents submitted by solid waste permitted facilities.

DNR states that every applicant for a permit must file a disclosure statement with the information required by and on a form developed by the Department of Natural Resources at the same time the application for a permit is filed with the department.

DNR assumes if any of the information required to be included in the disclosure statement changes, or if any additional information should be added after the filing of the statement, the person required to file it shall provide that information to the director in writing, within thirty days after the change or addition. It also sets forth the penalty for not filing a required amendment, places a notice requirement on the department and provides the permittee with a period of time to explain why the information was not provided within the required timeframe.

DNR states that no person would be required to submit the disclosure statement required by this section if the person is a corporation or an officer, director, or shareholder of that corporation under certain circumstances.

DNR states that after permit issuance, each facility must annually file an update to the disclosure statement with the Department of Natural Resources on or before March thirty-first of each year.

Failure to provide such update may result in penalties.

DNR assumes there will be some indeterminable reduction in time spent by staff reviewing and responding to violation history disclosure statements and annual updates once the rulemaking process is complete.

Oversight assumes this part of the proposal would have no direct fiscal impact to DNR.

§§ 260.390 and 260.395 - Hazardous Waste Facilities:

DNR states this part of the proposal would eliminate the requirement for the Department to conduct a habitual violator review before issuing a permit for a hazardous waste facility.

DNR assumes this part of the proposal would eliminate the requirement for the Department to issue a post-closure permit to hazardous waste facilities to address required actions upon closure of a permitted hazardous waste facility.

ASSUMPTION (continued)

DNR assumes this part of the proposal would eliminate the requirement for applicants for hazardous waste permits to submit a health profile along with their application.

DNR assumes this part of the proposal would eliminate the requirement for DNR to conduct a five-year review of permits issued to hazardous waste land disposal facilities.

DNR assumes deleting section 260.434 would eliminate the requirement for the Department to assess the transportation system serving the area of applicants for hazardous waste permits.

DNR assumes with department staff no longer having to commit time and resources to conduct the reviews that are proposed to be eliminated in this section, DNR would see an improvement in the efficiency of reviewing and issuing permits.

DNR assumes facilities would continue to see the cost savings in future years as a result of no longer having to complete the activities that are proposed to be deleted. The range of cost savings to each facility cannot reasonably be estimated at this time.

DNR assumes any savings would be largely based on the location (demographics in the vicinity) of the facility and the complexity (or lack thereof) of the facility's hazardous waste operations.

Oversight assumes this part of the proposal could result in future savings to DNR due to increased efficiencies, but for the purpose of the fiscal note, **Oversight** will assume this section will have no direct fiscal impact on DNR.

§§ 319.129, 319.130 and 319.132 - Petroleum Storage Tank Insurance Fund:

Officials from the **Department of Insurance, Financial Institutions and Professional Registration (DIFP)** assume this proposal adds the director of DIFP to the board of trustees for the Petroleum Storage Tank Insurance Fund.

DIFP states the proposal transfers the Petroleum Storage Tank Insurance Fund (PSTIF) and the board of trustees from DNR (HB 6) to the DIFP (HB 7). For FY2013 DNR has an appropriation of \$22,302,601 and 2.0 FTE to fund the board of trustees, general administration and operation of the fund. DIFP believes this appropriation will be transferred out of HB 6(DNR's budget) and into HB 7 (DIFP's budget).

DIFP states section 319.129(9), provides staff resources for the Missouri Petroleum Storage Tank Insurance Fund. The staff resources requested by the Petroleum Storage Tank Insurance Fund of

ASSUMPTION (continued)

the department are not known. After the board and the department agree upon the services to be provided to the board by the department, appropriation and FTE will be requested through the budget process. There will be an unknown fiscal impact to the department.

Officials from the **Petroleum Storage Tank Insurance Fund (PSTIF)** assume this proposal deletes section 319.130, which gives the PSTIF Board of Trustees responsibility for implementing a federally-mandated training program for operators of underground tanks. This would eliminate the PSTIF Board's costs to implement this program, which were estimated in the fiscal note for SB135, enacted in 2011. The proposal could result in the loss of federal funds to the DNR.

PSTIF assumes a savings to the fund as a result of the elimination of the Operator Training Program; the program is currently in development and actual costs are unknown.

PSTIF states costs for personnel to communicate and coordinate with DIFP to set up new administrative procedures and relationships for accounting, auditing, budgeting, mailroom, legislative and IT functions are unknown; it is assumed current personnel would be utilized for these duties and would simply have to adjust their workload to accommodate these one-time tasks.

PSTIF software is maintained by a third-party administrator under an existing contract; software revisions would be done by the existing contractor.

PSTIF assumes the proposal grants authority to the Hazardous Waste Management Commission to raise hazardous waste fees in the future, with no cap and no sunset date. This could cost the PSTIF additional funds, as tank owners who remove their tank systems and/or who clean up leaks must often pay hazardous waste fees as part of their cleanup; some of these fees are then included in claims made to the PSTIF for reimbursement.

PSTIF states there is no way to know whether the fees would increase in the future, when they might increase, or by how much.

DNR assumes these sections move the PSTIF from DNR to DIFP. The Hazardous Waste Program receives funding from PSTIF and has contracts with PSTIF for activities related to underground storage tanks.

DNR assumes that the department would still have the authority to enter into contracts with PSTIF and to receive funding from PSTIF for these services as "another state agency" under the

ASSUMPTION (continued)

terms of section 319.129.

DNR states the requirements for a state's operator training program are found in the U.S. Environmental Protection Agency's (EPA) Grant Guidelines for Implementing the Operator Training Provision of the Energy Policy Act of 2005, August 2007 (federal guidelines).

DNR assumes without an operator training program, EPA will have justification to revoke the approval of Missouri's underground storage tank program.

Oversight assumes PSTIF could absorb any potential IT costs related to this proposal as part of the existing contract with the third-party administrator.

Oversight assumes a savings to the PSTIF for any future costs related to the Operator Training Program eliminated in this proposal in FY15 and FY16. Savings are estimated to be \$212,325 in FY15 and \$302,225 in FY16.

Oversight assumes any costs incurred by the Department of Insurance, Financial Institutions and Professional Registration to implement this proposal would be offset by decreases in costs at the Department of Natural Resources.

Oversight will use the net fiscal impact provided by the Department of Insurance, Financial Institutions and Professional Registration for the PSTIF.

§§ 536.021, 536.024, and 640.019 - Fast Track Rulemaking:

DNR assumes this section of the proposal establishes an expedited rulemaking process for rule-makings that are adopting federal rules without variance. The rigorous review and comment period on the draft rule text that is currently required for most rule-makings could be omitted and the rule could become effective ten days after filing the order of rulemaking with the Secretary of State. This concept would be similar to the approach already used for filing emergency rules.

DNR assumes an expedited process would allow the department to more quickly incorporate the rule into any permit, match federal regulations for consistency, or meet federal requirements for a state implementation plan (SIP). This will reduce the confusion and regulatory uncertainty that results from the current delay of 18 months or more between the time a new federal requirement is in place and the time it is incorporated into state regulations and permits. A shortened process would also allow staff resources to be shifted from administrative steps associated with rule-makings to planning activities and technical analyses necessary to support more significant rule

ASSUMPTION (continued)

and SIP actions.

Oversight assumes this part of the proposal would have no direct fiscal impact to DNR.

§§ 621.250, 640.010, 640.012 and 640.017 Administrative Appeals:

DNR assumes this part of the proposal states, for contested case administrative appeals, the Administrative Hearing Commission will give the final decision. The burden of proof for appeals would lie with DNR to demonstrate the lawfulness of the finding or order. For activities that require obtaining multiple permits or certifications from DNR, the applicant may petition the Director of the Department to coordinate in approving or denying such permits or certifications in order to streamline the permit application process. Pursuant to this act, the Director must develop and implement a streamlined permitting process that helps applicants determine, at the earliest stage, all of the permits required, and inform applicants of the uniform permitting schedule.

Oversight assumes this part of the proposal would have no direct fiscal impact to DNR.

§ 640.065 - Department of Natural Resources Revolving Services Fund:

DNR states section 640.065 creates the DNR revolving services fund within DNR. The creation of the fund in section 640.065, while new to section 640.065, is not a new fund to the department. The Land Survey Program currently utilizes the DNR revolving services fund for activities that will transfer to the AGR in the proposed legislation. The Natural Resources Revolving Services Fund (RSF) is used for a number of purposes other than the purchase of goods or services for reproducing land survey documents for distribution.

DNR states DNR is allowed to publish maps and publications for resale as well as simplify funding for inter-divisional cooperative agreements such as for laboratory services, core library fees, workshops, conferences, and other central services. Revenue, expenditures and cash balances are tracked separately for each of the activities utilizing the DNR Revolving Services Fund. No fiscal impact is anticipated by the department as a result of the proposed legislation.

Officials from the **State Treasurer's Office (STO)** state this section will require a new FTE for the STO to physically watch every transaction in the DNR Revolving Services Fund since the changes to section 640.065, require the STO to approve all disbursements from the fund. The STO does not currently have a dedicated FTE to solely watch the fund.

ASSUMPTION (continued)

Oversight assumes the STO provided with core funding to handle a certain amount of activity each year. Oversight assumes STO could absorb the costs related to this proposal. If multiple bills pass which require additional staffing and duties at substantial costs STO could request funding through the appropriation process.

§ 640.715 - Water Pollution Construction Permits:

DNR assumes this section of the proposal ensures all applications filed for operating a class IA, class IB, or class IC concentrated animal feeding operation provide required information to the department, the county governing body and to all adjoining property owners of property located within one and one-half times the buffer distance.

Oversight assumes this part of the proposal would have no direct fiscal impact to DNR.

§ 643.079 - Clean Air Fees:

DNR states the Air Pollution Control Program has several fee rates that are not sufficient enough to cover the reasonable cost of day to day business. This part of the proposal continues DNR's authority to work with stakeholders and the commission to recommend an adjusted fee structure. DNR would not anticipate a direct fiscal impact from this provision of the proposal.

§ 644.051 - Water Pollution Construction Permits:

DNR states this section provides an exemption from the construction permitting requirements for industrial and agricultural point sources as long as the point source system is 1) designed by a professional engineer registered in Missouri; 2) constructed in accordance with the registered professional engineer's designs and plans; and 3) subject to inspection by the department upon submittal of an application for an operating permit.

Oversight assumes this part of the proposal would have no direct fiscal impact to DNR.

§ 644.057 - Clean Water Commission:

DNR state this section of the proposal gives the commission the authority to recommend revisions to the clean water fee structure. If voted and approved by the commission the commission would promulgate and publish the clean water fee structure by December thirty-first of the same year beginning December 31, 2013. If the rules are not disapproved by the General Assembly they would take effect January 1 of the next odd-numbered year.

ASSUMPTION (continued)

Oversight assumes this part of the proposal would have no direct fiscal impact to DNR.

§ 644.062 - Provisional Water Permit Variances:

DNR states this section of the proposal allows DNR to grant provisional variances in water permits during times of drought or extended elevated temperatures.

Bill as a Whole:

Officials at the **Department of Agriculture** defer to the Department of Natural Resources for fiscal impact.

Officials from the **Office of the Secretary of State (SOS)** state many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with the core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process.

Officials from the **Department of Economic Development, Department of Public Safety - Missouri State Highway Patrol, Department of Conservation, Department of Revenue, Department of Health and Senior Services, Department of Transportation, Office of Administration, City of Kansas City, and Missouri State University** each assume the proposal would not fiscally impact their respective agencies.

Officials at the **Office of Attorney General** assume that any potential costs arising from this proposal can be absorbed with existing resources.

ASSUMPTION (continued)

Officials at the **Joint Committee on Administrative Rules** assume this proposal is not anticipated to cause a fiscal impact beyond its current appropriation.

<u>FISCAL IMPACT - State Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
GENERAL REVENUE			
<u>Transfer In - AGR - § 60.510 - Land Survey Program</u>			
Salaries	(\$23,695)	(\$28,718)	(\$29,006)
Fringes	(\$12,024)	(\$14,573)	(\$14,719)
<u>Total Revenue - AGR</u>	<u>(\$35,719)</u>	<u>(\$43,291)</u>	<u>(\$43,725)</u>
FTE Change - AGR	1 FTE	1 FTE	1 FTE
 <u>Transfer Out - DNR - § 60.510 - Land Survey Program</u>			
Salaries	\$23,695	\$28,718	\$29,006
Fringes	\$12,024	\$14,573	\$14,719
<u>Total Costs - DNR</u>	<u>\$35,719</u>	<u>\$43,291</u>	<u>\$43,725</u>
FTE Change - DNR	(1 FTE)	(1 FTE)	(1 FTE)
 ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	 <u>\$0</u>	 <u>\$0</u>	 <u>\$0</u>
 Estimated Net FTE Change for the General Revenue Fund	 0 FTE	 0 FTE	 0 FTE

<u>FISCAL IMPACT - State Government</u> (continued)	FY 2014 (10 Mo.)	FY 2015	FY 2016
LAND SURVEY FUND			
<u>Transfer In - AGR - § 60.510 - Land Survey Program</u>			
Salaries	(\$439,777)	(\$439,777)	(\$439,777)
Fringes	(\$223,143)	(\$223,143)	(\$223,143)
Equipment & Expense	(\$72,100)	(\$72,100)	(\$72,100)
Other Fund Costs	<u>(\$180,000)</u>	<u>(\$180,000)</u>	<u>(\$180,000)</u>
<u>Total Revenue - AGR</u>	<u>(\$915,020)</u>	<u>(\$915,020)</u>	<u>(\$915,020)</u>
FTE Change - AGR	11 FTE	11 FTE	11 FTE
 <u>Transfer Out - DNR - § 60.510 - Land Survey Program</u>			
Salaries	\$439,777	\$439,777	\$439,777
Fringes	\$223,143	\$223,143	\$223,143
Equipment & Expense	\$72,100	\$72,100	\$72,100
Other Fund Costs	<u>\$180,000</u>	<u>\$180,000</u>	<u>\$180,000</u>
<u>Total Costs - DNR</u>	<u>\$915,020</u>	<u>\$915,020</u>	<u>\$915,020</u>
FTE Change - DNR	(11 FTE)	(11 FTE)	(11 FTE)
 ESTIMATED NET EFFECT ON LAND SURVEY FUND			
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
 Estimated Net FTE Change for the Land Survey Fund	 0 FTE	 0 FTE	 0 FTE

<u>FISCAL IMPACT - State Government</u> (continued)	FY 2014 (10 Mo.)	FY 2015	FY 2016
PETROLEUM STORAGE TANK INSURANCE FUND			
<u>Savings - DIFP</u>			
§ 319.130 - Elimination of Operator Training Program	\$0	\$212,325	302,225
<u>Transfer In - DIFP</u>			
§ 319.129 - Petroleum Storage Tank Insurance Fund Program	(\$22,302,601)	(\$22,302,601)	(\$22,302,601)
FTE Change - DIFP	2 FTE	2 FTE	2 FTE
<u>Transfer Out - DNR</u>			
§ 319.129 - Petroleum Storage Tank Insurance Fund program	<u>\$22,302,601</u>	<u>\$22,302,601</u>	<u>\$22,302,601</u>
FTE Change - DNR	(2 FTE)	(2 FTE)	(2 FTE)
ESTIMATED NET EFFECT ON THE PETROLEUM STORAGE TANK INSURANCE FUND			
	<u>\$0</u>	<u>\$212,325</u>	<u>\$302,225</u>
Estimated Net FTE Change for the Petroleum Storage Tank Insurance Fund	0 FTE	0 FTE	0 FTE
 <u>FISCAL IMPACT - Local Government</u>			
	FY 2014 (10 Mo.)	FY 2015	FY 2016
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

§§ 319.129, 319.130 and 319.132 - Petroleum Storage Tank Insurance Fund:

PSTIF assumes the elimination of the Operator Training program could result in the Environmental Protection Agency (EPA) withdrawing its approval of Missouri's regulatory program for underground storage tanks and instead require the implementation of the EPA's federal and program. This could have a negative impact on tank owners/operators, the majority of which are considered small businesses.

This section of the proposal would allow the Hazardous Waste Management Commission to increase hazardous waste fees in the future. Many of these fees are paid by small businesses.

FISCAL DESCRIPTION

§§ 60.510 - 60.670 Land Survey Program:

This proposal transfers all powers, duties, and functions of the Land Survey Program within the Department of Natural Resources to the Department of Agriculture.

§§ 319.129, 319.130, 319.132 - Petroleum Storage Tank Insurance Fund:

This proposal transfers the Petroleum Storage Tank Insurance Fund and the board of trustees from the Department of Natural Resources to the Department of Insurance, Financial Institutions, and Professional Registration.

This proposal includes an emergency clause for section 644.057.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Natural Resources
Department of Insurance, Financial Institutions and Professional Registration
Petroleum Storage Tank Insurance Fund
Department of Agriculture
State Treasurer's Office
Department of Economic Development
Department of Public Safety -
 Missouri State Highway Patrol
Department of Conservation
Department of Revenue
Office of the Attorney General
Department of Health and Senior Services
Department of Transportation
Office of Administration
Office of Secretary of State
Joint Committee on Administrative Rules
City of Kansas City
Missouri State University



Ross Strobe
Acting Director
April 24, 2013