

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5127-03
Bill No.: Perfected SCS for SB 664
Subject: Boards, Commissions, Committees, Councils; Natural Resources Department;
 Water Resources and Water Districts
Type: Original
Date: February 20, 2014

Bill Summary: This proposal modifies the authority of the Clean Water Commission.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
General Revenue	(\$259,790)	(\$315,289)	(\$318,872)
Total Estimated Net Effect on General Revenue Fund	(\$259,790)	(\$315,289)	(\$318,872)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
General Revenue	5 FTE	5 FTE	5 FTE
Total Estimated Net Effect on FTE	5 FTE	5 FTE	5 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 2015	FY 2016	FY 2017
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§ 644.058 - Clean Water Commission:

Officials from the **Department of Natural Resources (DNR)** state there are 66 eight-digit Hydrologic Unit Codes (HUCs) in Missouri. This proposal would require each HUC to have an independent environmental economic study.

DNR assumes one-fifth of the 66 HUC studies would be done each year to coincide with the permitting cycle. Each study would take approximately 640 hours. Three-fourths of the study would be environmentally related and one-fourth of the study would be economically related.

DNR states these studies could be conducted by the department, however staffing is not currently available. The FTEs hired to do these studies would have no duties other than these studies.

DNR assumes it would request the following 5 FTE to implement this proposal.

Environmental Specialists (3 FTE) - Annual Salary of \$48,636

Economist (1 FTE) - Annual Salary of \$59,520

Senior Office Support Assistant (1 FTE) - Annual Salary of \$28,620

640 hours per study x 13 watershed studies a year (66 studies divided by 5 years) = 8,320 hours

8,320 divided by 2,080 work hours per year = four (4) technical FTEs to do 13 studies in a year, plus one (1) support FTE for these studies.

$\frac{3}{4}$ of these studies would be environmentally related - 3 FTEs would need to be Environmental Specialists. $\frac{1}{4}$ of these studies would be economically related - 1 FTE would need to be Economists.

Oversight notes the annual salary range of an Environmental Specialist III is \$38,544 - \$54,864.

Oversight notes the annual salary range for an Economist is \$47,412 - \$68,928.

Oversight notes the annual salary range for a Senior Office Support Assistant is \$24,780 - \$33,000.

KB:LR:OD

ASSUMPTION (continued)

Oversight assumes it is unknown which salary step each FTE will be hired at, therefore the annual salary cost of the 5 FTE could be lower if DNR hires the FTE at a beginning level salary step rather than a mid-level salary step as requested by DNR.

Oversight assumes office equipment and furniture would be available through OA surplus property at no additional cost to the department.

For the purpose of the fiscal note, **Oversight** will show a cost to General Revenue for FTE at the beginning salary level step and no additional equipment cost to DNR; however, expense costs will be shown.

Officials from the **Cole County Public Water Supply District No. 3 (PWSD No.3)** state this proposal could have an impact on their water service, but only after the appropriate study is completed.

Officials from the **Department of Conservation** assume the proposal would not fiscally impact their agency.

Oversight assumes Senate Amendment 1 is technical in nature and will have no direct fiscal impact on this proposal.

<u>FISCAL IMPACT - State Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
GENERAL REVENUE FUND			
<u>Costs - DNR</u>			
§ 644.058 - Studies for Water Quality			
Standard Modifications			
Personal Service	(\$156,520)	(\$189,702)	(\$191,599)
Fringe Benefits	(\$79,833)	(\$96,758)	(\$97,725)
Expense & Equipment	(\$23,437)	(\$28,829)	(\$29,548)
<u>Total Costs - DNR</u>	<u>(\$259,790)</u>	<u>(\$315,289)</u>	<u>(\$318,872)</u>
FTE Change - DNR	5 FTE	5 FTE	5 FTE
 ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND			
	<u>(\$259,790)</u>	<u>(\$315,289)</u>	<u>(\$318,872)</u>
 Estimated Net FTE Change for the General Revenue Fund			
	5 FTE	5 FTE	5 FTE
 <u>FISCAL IMPACT - Local Government</u>			
	FY 2015 (10 Mo.)	FY 2016	FY 2017
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

§ 644.058 - Clean Water Commission:

This proposal modifies the authority of the Clean Water Commission so that it may only revise water quality standards upon completion of an assessment by the Department of Natural Resources finding that there is an environmental need for such revision. In implementing revised water quality standards modifications of 25% or more, the Department of Natural Resources shall also conduct an evaluation as set forth in this proposal. The Department shall use these evaluations in making site-specific permit decisions

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 Conservation
Cole County PWSD No. 3



Mickey Wilson, CPA
Director
February 20, 2014

Ross Strobe
Assistant Director
February 20, 2014