

2762

FISCAL NOTE (Form 1)  
(Office of Fiscal Analysis)  
Analyst: *EB 6/16/92*  
tc  
Version: 5

BILL NUMBER: SB 54  
FILE NUMBER:  
AMENDMENTS: Senate "A" & "B"  
and House "A"

TITLE: "AN ACT CONCERNING THE SOLID WASTE FUND, THE EMERGENCY SPILL RESPONSE FUND, AND GENERATORS OF LOW-LEVEL RADIOACTIVE WASTE, AND ESTABLISHING AN URBAN SITES REMEDIAL ACTION PROGRAM AND A FEE FOR CERTAIN LAND USE APPLICATIONS TO FUND CERTAIN ENVIRONMENTAL PROTECTION PROGRAMS"

FAVORABLY REPORTED BY Environment, Appropriations

EFFECTIVE DATE: 7/1/92

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FISCAL IMPACT STATEMENT - BILL NUMBER SB 54

STATE IMPACT	Implements Provisions in the Budget, Revenue Gain (Conservation Fund), see explanation below
MUNICIPAL IMPACT	Minimal Cost and Minimal Revenue, see explanation below
STATE AGENCY(S)	Environmental Protection, Economic Development, Attorney General

EXPLANATION OF ESTIMATES:

STATE IMPACT: Funds in the amount of \$2,246,419 have been removed within SA 92-13 (the Appropriations Act, as passed by the General Assembly) for FY 1992-93 due to the transfer of 49 positions and associated expenses within the Department of Environmental Protection from the General Fund to the Emergency Spill Response Fund (36 positions) and the Solid Waste Fund (13 positions).

The Emergency Spill Response Fund is currently used to support 34 positions and associated costs including fringe benefits, in the administration of the programs relating to emergency spills, site remediation negative declaration programs, pesticide programs, etc. The Fund is also used to contain and clean-up hazardous waste spills, conduct studies, aquifer mapping projects, contribute to the Hazardous Waste Management Service, funds small business loans and provides potable water and grants for water lines. Approximately \$4 million a year in revenue is generated for the Fund and it is estimated that the Fund balance will be approximately \$9.8 million at the end of this fiscal year. Expenditures for FY 1993 including the additional positions are estimated at \$7.6 million which will leave a Fund balance of approximately \$6.2 million at the close of FY 1993. Excluding the possibility of a catastrophic spill, the Fund should remain solvent through FY 1994. The Solid Waste Fund is currently used to support 6 positions and associated expenses

including fringe benefits, in the inspection of resource recovery facilities and the monitoring of dioxin emissions. Approximately \$1.5 million dollars in revenue is generated for the Fund per year, and it is estimated that the Solid Waste Fund balance will be \$2.2 million at the close of this fiscal year. Expenditures for FY 1993 including the 13 additional positions are estimated at approximately \$2 million which will leave a Fund balance at the close of FY 1993 of approximately \$1.7 million. The Fund should remain solvent at least through FY 1995.

The bill as amended also would require that a program be established to identify, evaluate and plan for the remediation of polluted real property which is deemed vital to the economic development needs of the State. An inventory of these sites already exists and this bill as amended would target areas, polluted sites, (not more than 2 sites, located in a distressed municipality) for cleanup which would have to be evaluated and remediated anyway. It is anticipated that costs to Economic Development would be minimal for their input in the evaluation and there would be no additional costs associated with these provisions. It is anticipated that each plan will cost \$200,000 to \$250,000 and will be funded through general obligation funds authorized pursuant to (a) of Section 29 of SA 89-52. As of 3/27/92, \$11,500,000 remains unallocated in this account. In addition to the funds for the studies, additional funds, in the millions of dollars, will be needed for any remedial actions. Since the DEP can already seek reimbursement of costs and expenses of polluted sites, there should be no increase in the workload to the Attorney General.

In addition, it is estimated that the ten dollar application fee will increase revenue by at least \$90,000 to the Conservation Fund based on 10,000 applications, to be used for the Environmental Review Teams and the Council on Soil and Water Conservation. The revenue would vary based on the amount of development. State costs associated with the Environmental Review Teams for FY 93 based on past expenditures, are estimated at \$100,000 and costs for the grants to soil conservation districts would be \$132,000 in FY 93 and approximately \$45,000 for the Director. Funds for these programs, except for a \$2,000 appropriation, were removed from the FY 92 Department of Environmental Protection's budget and FY 93 budget per SA 92-13.

MUNICIPAL IMPACT: It is anticipated that the additional administration workload to municipalities due to the collection of the ten dollar fee will be minimal and offset by the one dollar revenue gain.

Senate "A" establishes the urban sites remedial action program which will use existing resources.

Senate "B" establishes funding for the environmental review teams and the soil and water conservation council increasing revenue to the Conservation Fund and municipalities. House "A" is technical and does not change the impact of the bill.

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