

FISCAL NOTE

Requested by Legislative Council
01/27/2005

Amendment to: HB 1279

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2003-2005 Biennium		2005-2007 Biennium		2007-2009 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				\$25,000		\$50,000
Expenditures			\$50,000	\$25,000		\$50,000
Appropriations			\$50,000	\$25,000		\$50,000

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2003-2005 Biennium			2005-2007 Biennium			2007-2009 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2. **Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

This bill would establish environmental certainty for landowners of contaminated property. This would require the Department to complete activities above those currently conducted to include:

- Development of site specific institutional controls and negotiate their implementation
- Participate as necessary with Political Subs to establish institutional controls through participation in public hearings
- Evaluate need for insurance or other financial assurance measures to address future potential monitoring or clean up activities
- Provide Responsibility Exemptions or regulatory assurance letters
- Development of agreements to establish Environmental Remediation Operating Fund and administer as appropriate.

This bill provides for a new continuing appropriation identified as the environmental remediation operating fund. Activity for the fund are included in other funds under 1A - State Fiscal Effect.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

Provides for a continuing appropriation to the Department to develop rules and, as appropriate, collect fees. Fees collected would be used to net out expenditures. It is difficult to estimate the number of properties requesting regulatory assurance. On the high end the Department could be looking at approximately 15 cases per year or \$37,500, and on the low end, 5 cases or \$12,500. Our guess is based on an average number of these cases or 10 per year and \$25,000 annually.

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

Anticipated expenditures include program development, rules development and implementation. During the 2005-07

biennium expenditures are estimated to be approximately \$50,000 of general funds costs for program development and initial implementation. Future costs related to implementation of the program will be dependant upon the number of contaminated properties requesting regulated assurances (see explanation in revenue section) and will be charged to a continuing appropriation.

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

Requesting \$50,000 of general funds for the 2005-07 biennium for initial start up costs of the program. Future revenue and expenditures for the program will be deposited and expended from a continuing appropriation included in other funds.

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Agency: Health
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