

FISCAL NOTE
Requested by Legislative Council
12/31/2020

Amendment to: SB 2070

- 1 A. **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.*

	2019-2021 Biennium		2021-2023 Biennium		2023-2025 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures	\$0	\$0	\$0	\$0	\$0	\$0
Appropriations	\$0	\$0	\$0	\$0	\$0	\$0

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

	2019-2021 Biennium	2021-2023 Biennium	2023-2025 Biennium
Counties	\$0	\$0	\$0
Cities	\$0	\$0	\$0
School Districts	\$0	\$0	\$0
Townships	\$0	\$0	\$0

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

SB2070 expands the use of the environmental response fund to address environmental incidents and contaminated property. The fund will be used for assessment, monitoring, and remedial actions. The fund would be replenished through cost recovery, penalties or other mechanisms identified in the bill.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

The fiscal impact of Senate Bill 2070 relates to the revenue credited to the Environmental Quality Restoration Fund. Section 3 of Senate Bill 2070 defines the revenue sources and includes language that if the Environmental Quality Restoration Fund is less than five million dollars than monies recovered by the Department of Environmental Quality from any action or administrative proceeding based upon violation of the state's environmental statutes must be deposited into the Environmental Quality Restoration Fund. Section 3 of the bill also allows the Department of Environmental Quality to deposit into the Environmental Quality Restoration Fund donations, transfers from abandoned oil and gas well plugging and site reclamation fund, monies from federal agency, and other moneys that pertain to the purpose of the fund which would include cost recovery.

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.*

The executive recommendation includes a one-time special fund transfer of five million dollars from the Legacy Fund to the Environmental Quality Restoration Fund. The Environmental Quality Restoration Fund is a continuing appropriation that is administered by the Department of Environmental Quality.

Also, Section 3 of Senate Bill 2070 includes language that if the Environmental Quality Restoration Fund is less than five million dollars than monies recovered by the Department of Environmental Quality from any action or administrative proceeding based upon violation of the state's environmental statutes must be deposited into the Environmental Quality Restoration Fund. In addition, Section 3 of the bill allows the Department of Environmental Quality to deposit into the Environmental Quality Restoration Fund donations, transfers from abandoned oil and gas

well plugging and site reclamation fund, monies from federal agency, and other moneys that pertain to the purpose of the fund which would include cost recovery.

- 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.*

Currently the Environmental Quality Restoration Fund is designated to respond to environmental emergencies which would include expenditures related to the assessment, removal, corrective action, and monitoring of the emergency. Senate Bill 2070 expands the type of environmental contamination the Department of Environmental Quality can respond including non-emergency contaminations. Due to the unknown nature of the projects, expenditures can not be accurately determined. Any expenditures would be paid out of the Environmental Quality Restoration Fund which is a continuing appropriation fund administered by the Department of Environmental Quality.

- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

The executive recommendation includes a one-time special fund transfer of five million dollars from the Legacy Fund to the Environmental Quality Restoration Fund. The Environmental Quality Restoration Fund is a continuing appropriation that is administered by the Department of Environmental Quality.

Name: Beth Jacobson

Agency: Department of Environmental Quality

Telephone: 3285154

Date Prepared: 01/05/2021