

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1018-04
Bill No.: HCS for HB 252
Subject: Environmental Protection; Natural Resources Dept.
Type: Original
Date: March 29, 2007

Bill Summary: Assesses fees for the transportation of radioactive waste through or within the state.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Hazardous Waste Fund	\$19,310 to \$45,057	\$19,800 to \$46,199	\$20,302 to \$47,372
Total Estimated Net Effect on <u>Other</u> State Funds	\$19,310 to \$45,057	\$19,800 to \$46,199	\$20,302 to \$47,372

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 8 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Federal Funds	\$19,792 to \$46,185	\$20,298 to \$47,361	\$20,814 to \$48,258
Total Estimated Net Effect on <u>All</u> Federal Funds	\$19,792 to \$46,185	\$20,298 to \$47,361	\$20,814 to \$48,258

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on FTE	0	0	0

☐ 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 2008	FY 2009	FY 2010
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Missouri Highway Patrol** and **Department of Transportation** assume no fiscal impact to their agency.

Officials from the **Department of Health and Senior Services (DHSS)** assume under this proposal, DHSS would be responsible for inspection of radioactive material and waste shipments. In addition, DHSS would be involved in the training of emergency responders across the state. Finally, under 1952.510, RSMo., DHSS would respond to all emergencies involving radioactive material.

This proposal will increase revenue coming into the Environmental Radiation Monitoring Fund. This increase is not reflected in this fiscal note because the fund is administered by the Department of Natural Resources; thus, the assumption was made that they would estimate revenue generated by this legislation.

Officials from the **Department of Natural Resources (DNR)** assume since Missouri does not currently require notification or collect a fee on any low-level radioactive waste shipments, the total number currently transported through the state is unknown. To attempt to predict how many of each type of shipment is reasonable to expect in the upcoming year DNR staff gathered shipment data from Illinois and Iowa, as well as the federal Department of Energy (DOE). Because Illinois does not collect a fee on low-level waste, no data was available on shipments that might enter Missouri from Illinois. Iowa does track low-level shipments due to their fee on this type of waste, but not all shipments go through Missouri prior to entering Iowa. Information from the DOE indicates that shipments vary based on several factors. Currently, DOE is cleaning up several former nuclear weapons manufacturing facilities. The ultimate disposal site of this waste depends on the outcome of DOE's bidding procedure. Once a disposal facility is selected, DOE selects a shipping company, and the shipping company selects the shipment route. DOE does provide information on an annual basis, with an estimate of what type and number of shipments may come through the various states.

Using these sources of information, DNR estimates between 430 and 1,400 shipments can be anticipated in any given twelve-month period. The level of anticipated revenue as well as the level of effort needed to implement this proposal would be dependent on the number of shipments that came through Missouri. For purposes of this fiscal note, the department has shown the income from fees and the associated costs as a range to more accurately reflect potential fiscal impact to the state.

ASSUMPTION (continued)

Option 1 - Income Low End of Range:

High-level: 2 shipments + 3 MURR no fee shipments	\$ 6,100
24 HRCQ shipments 285 miles each	\$ 94,200
400 low-level shipments annually	<u>\$ 50,000</u>
Estimated Annual Fee Income	\$150,300

Option 1 - Expenses:

Escorts: 2 high-level shipments (MURR direct pay)	\$ 2,960
Radiological inspections: 5 high-level shipments	\$ 1,400
Radiological inspections: 40 low-level shipments	\$ 11,200
DNR Fund Administration	\$ 16,984
Environmental Monitoring	\$ 13,500
Training & Notification of Local Responders	\$ 30,962
Equipment & Supplies for State & Local Responders	<u>\$ 73,294</u>
Total Option 1 Expenses	\$150,300:

Option 2 - Income High End Range

Hihg-level shipments: 2 + 4 MURR no fee shipments	\$ 6,100
45 HRCQ shipments 285 miles each	\$176,625
350 non-DOE Lo-level shipments	\$ 43,750
1000 DOE low-level shipments	<u>\$125,000</u>
Estimated Annual Fee Income	\$351,475

Option 2 - Expenses

Escorts: 2 high-level shipments (MURR direct pay)	\$ 2,960
Escorts: 45 HRCQ shipments	\$ 66,600
Radiological inspections: 6 high-level shipments	\$ 1,680
Radiological inspections: 45 HRCQ shipments	\$ 12,600
Radiological inspections: 135 low-level shipments	\$ 37,800
DNR Fund Administration	\$ 39,800
Environmental Monitoring	\$ 13,500
Training & Notification of Local Responders	\$ 72,404
Equipment & Supplies for State & Local Responders	<u>\$104,214</u>
Total Option 1 Expenses	\$351,475

Monies would be used by DPS, DOH and MDNR for purposes including, but not limited to, inspections, escorts, and security for waste shipment and planning; coordination of emergency response capability; education and training of state, county and local emergency responders;

ASSUMPTION (continued)

purchase and maintenance of necessary equipment; emergency responses to any transportation incident involving high-level radioactive waste, transuranic radioactive waste, highway route controlled quantity shipments, spent nuclear fuel or low-level radioactive waste; oversight of an environmental remediation necessary resulting from an incident; and administrative costs attributable to the state agencies which are incurred through their involvement.

To meet the staffing needs from this proposal the department would use existing FTE. The department would restructure the duties to the FTE to implement the requirements of this legislation. For purposes of this fiscal note, the costs for the FTE is charged to the Environmental Radiation Monitoring Fund which is a shift from the Hazardous Waste Fund and Federal funds. Therefore, a corresponding savings is shown to the Hazardous Waste and Federal Funds.

County and local emergency responders would receive training, equipment and supplies as funds are available from this proposal.

<u>FISCAL IMPACT - State Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
HAZARDOUS WASTE FUND			
<u>COST AVOIDANCE (SAVINGS) -</u> Department of Natural Resources			
	\$12,677 to	\$12,994 to	\$13,318to
Salaries (.27 FTE to .63 FTE)	\$29,580	\$30,318	\$31,076
	\$5,130 to	\$5,259 to	\$5,390 to
Fringe Benefits	\$11,971	\$12,270	\$12,576
	<u>\$1,503 to</u>	<u>\$1,548 to</u>	<u>\$1,594 to</u>
Equipment & Expense	<u>\$3,506</u>	<u>\$3,611</u>	<u>\$3,719</u>
ESTIMATED NET EFFECT ON	<u>\$19,310 to</u>	<u>\$19,800 to</u>	<u>\$20,302 to</u>
HAZARDOUS WASTE FUND	<u>\$45,057</u>	<u>\$46,199</u>	<u>\$47,372</u>

<u>FISCAL IMPACT - State Government</u> (continued)	FY 2008 (10 Mo.)	FY 2009	FY 2010
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**ENVIRONMENTAL RADIATION
 MONITOR FUND**

Cost - Department of Natural Resources

Salaries (.24 FTE to .56 FTE)	(\$25,461 to 59,409)	(\$26,098to \$60,894)	(\$26,750 to \$62,417)
Fringe Benefits	(\$11,218 to \$24,043)	(\$11,499 to \$24,644)	(\$11,786 to \$25,260)
Equipment & Expense	(\$3,340 to \$7,790)	(\$3,437 to \$8,025)	(\$3,543 to \$8,266)
Other Fund Costs	<u>(-\$110,281 to \$260,233)</u>	<u>\$109,266 to \$257,912)</u>	<u>(\$108,221 to \$255,532)</u>

Total Cost	<u>(\$150,300 to \$351,475)</u>	<u>(\$150,300 to \$351,475)</u>	<u>(\$150,300 to \$351,475)</u>
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<u>Cost Avoidance (Savings) - Department of Natural Resources</u>	<u>\$150,300 to \$351,475</u>	<u>\$150,300 to \$351,475</u>	<u>\$150,300 to \$351,475</u>
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**ESTIMATED NET EFFECT ON
 ENVIRONMENTAL RADIATION
 MONITOR FUND**

<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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<u>FISCAL IMPACT - Federal Government</u>	FY 2007	FY 2008	FY 2009
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FEDERAL GOVERNMENT

<u>Cost Avoidance (Savings) - Federal Government</u>	<u>\$19,792 to \$46,185</u>	<u>\$20,298 to \$47,361</u>	<u>\$20,814 to \$48,258</u>
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**ESTIMATED NET EFFECT ON
 FEDERAL GOVERNMENT**

<u>\$19,792 to \$46,185</u>	<u>\$20,298 to \$47,361</u>	<u>\$20,814 to \$48,258</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

Potentially, if some radioactive waste haulers would be considered small businesses.

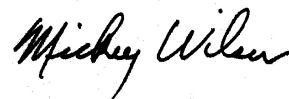
FISCAL DESCRIPTION

The proposed legislation assesses fees on certain entities that ship or transport radioactive waste within the state and could have an effect on total state revenue.

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 Health
Department of Transportation
Missouri Highway Patrol



Mickey Wilson, CPA
Director

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