

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 6358-01  
Bill No.: HB 2140  
Subject: Utilities; Environmental Protection  
Type: Original  
Date: April 15, 2014

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Bill Summary: This proposal requires the Air Conservation Commission to establish standards of performance for carbon dioxide emissions from existing fossil fuel-fired electric generating units.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 5 pages.

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

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

☐ 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).

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## **FISCAL ANALYSIS**

### **ASSUMPTION**

#### **§ 643.700 - Air Conservation Commission Emission Standards for Carbon Dioxide:**

Officials from the **Department of Natural Resources (DNR)** would not anticipate a direct fiscal impact from this proposal.

DNR assumes this proposal could result in the department being unable to write a rule and State Implementation Plan (SIP) the Environmental Protection Agency (EPA) would approve.

DNR assumes under this scenario, the EPA would implement a Federal Implementation Plan (FIP) in the State of Missouri for the 111(d) proposal for coal fired power plants. As well as taking away any enforcement authority DNR would have for the power plants in regards to this rule.

DNR assumes the EPA could reduce federal grant dollars to implement this piece of the Clean Air Act in Missouri. EPA would have the option to withhold some federal funding as EPA staff would take over some of the duties DNR staff would implement under a state plan.

DNR is unable to estimate a dollar amount at this time, but it would be a percentage of federal funds received by DNR. Federal funds account for approximately 21% of DNR's Air Pollution Control Program budget.

DNR does not currently receive federal funds for activities related to carbon pollution and DNR does not anticipate federal funds increasing. DNR expects to maintain the current level of federal funding regardless of any FIP for carbon pollution standards.

**Oversight** assumes this proposal has the potential of placing Missouri under a federal plan, meaning each affected source of carbon dioxide would be inspected by and answer to, the EPA.

Under a federal EPA plan, **Oversight** assumes DNR would not be involved with inspections of existing carbon dioxide sources. Federal funds could be reduced under an FIP, but DNR has not received specific federal funding for carbon pollution in the past.

**Oversight** assumes any fiscal impact from this proposal to DNR would be indirect and will not be reflected in the fiscal note.

ASSUMPTION (continued)

Officials from the **Department of Economic Development**, and the **Department of Health and Senior Services** each assume the proposal would not fiscally impact their agency.

<u>FISCAL IMPACT - State Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<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

The proposed legislation appears to have no direct fiscal impact.

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 and Senior Services  
Department of Economic Development

Mickey Wilson, CPA  
Director  
April 15, 2014

A handwritten signature in black ink, appearing to read "Ross Strobe", with a stylized flourish at the end.

Ross Strobe  
Assistant Director  
April 15, 2014