

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3323H.011
 Bill No.: HB 1956
 Subject: Environmental Protection; Department of Natural Resources; Agriculture; Soil Conservation; Waste - Solid; Waste - Hazardous; Water Resources and Water Districts
 Type: #Updated
 Date: January 8, 2024

#Updated to reflect a revised response from Department of Natural Resources.

Bill Summary: This proposal modifies construction permit requirements under the Missouri Clean Water Act for projects involving sewage conveyance or discharge to waters of the state.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
#General Revenue	(\$93,976)	(\$98,852)	(\$100,829)
#Total Estimated Net Effect on General Revenue	(\$93,976)	(\$98,852)	(\$100,829)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
#Water Pollution Permit Fee Fund	\$0 to \$28,000	\$0 to \$28,000	\$0 to \$28,000
#Total Estimated Net Effect on <u>Other</u> State Funds	\$0 to \$28,000	\$0 to \$28,000	\$0 to \$28,000

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
#General Revenue	1 FTE	1 FTE	1 FTE
#Total Estimated Net Effect on FTE	1 FTE	1 FTE	1 FTE

- Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Natural Resources (DNR)** assume the following regarding this proposal:

#§644.051.6, codifies the current status of land application for sites and materials that were previously under the fertilizer permit exemption. This is the current regulatory status of permitting land application of materials previously licensed under the Missouri Fertilizer law. The department is currently processing these permits, which has significantly increased the workload of the permitting team in particular, but has also impacted the enforcement, inspection, and engineering teams, resulting in slower process times, and increasing current backlog. In order to maintain statutory requirements and effective permit processes, there is a need for one FTE (Environmental Program Analyst) at \$57,768 annually. (NDI was requested for this FTE; does not include fringe and indirect, see fund summary for expense and equipment costs) Revenue increase could range from \$0 to \$28,000 for these facilities.

#Overall Impact: Gain in revenue of \$0 to \$28,000

#1 FTE - \$57,768 (does not include fringe and indirect; see fund summary for expense and equipment costs)

Oversight does not have information to the contrary and therefore, Oversight will reflect the estimates as provided by DNR.

<u>FISCAL IMPACT – State Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
#GENERAL REVENUE FUND			
#Costs - DNR			
Personnel Service	(\$48,140)	(\$58,923)	(\$60,102)
Fringe Benefits	(\$28,990)	(\$35,484)	(\$36,193)
Expense & Equipment	(\$16,846)	(\$4,445)	(\$4,534)
Total Costs - DNR	(\$93,976)	(\$98,852)	(\$100,829)
FTE Change	1 FTE	1 FTE	1 FTE
#ESTIMATED NET EFFECT ON GENERAL REVENUE	(\$93,976)	(\$98,852)	(\$100,829)
#Estimated Net FTE Change on General Revenue	1 FTE	1 FTE	1 FTE

<u>FISCAL IMPACT – State Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
#WATER POLLUTION PERMIT FEE FUND (0568)			
<u>#Revenue</u> – DNR – water pollution permit fees	<u>\$0 to \$28,000</u>	<u>\$0 to \$28,000</u>	<u>\$0 to \$28,000</u>
#ESTIMATED NET EFFECT ON THE WATER POLLUTION PERMIT FEE FUND	<u>\$0 to \$28,000</u>	<u>\$0 to \$28,000</u>	<u>\$0 to \$28,000</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

Certain small businesses that require a permit could be impacted by this proposal.

FISCAL DESCRIPTION

This bill specifies that land application of industrial wastewater, industrial wastewater sludge, and related process wastes must be subject to a nutrient management technical standard established by rule by the Department of Natural Resources. The Department may require surface water sampling and groundwater monitoring when land application fields are located in hydrologically sensitive areas.

The bill also prohibits the Missouri Clean Water Commission from exempting any entity from the requirement to obtain any water pollution permit based on licensure under the Missouri Fertilizer law, including labeling requirements, unless the entity is producing products that are commercially sold to an end user.

In order to receive an operating permit, a point source or operating location must have applied for and received a construction permit, if required, prior to construction of the facility.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

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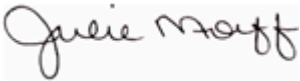
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SOURCES OF INFORMATION

Department of Natural Resources



Julie Morff
Director
January 8, 2024



Ross Strobe
Assistant Director
January 8, 2024