

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0430H.01I
 Bill No.: HB 516
 Subject: Waste - Radioactive; Waste - Hazardous; Waste - Solid
 Type: Original
 Date: January 26, 2025

Bill Summary: This proposal modifies criteria of hazardous waste investigations and increases the Hazardous Waste Fund appropriations.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Hazardous Waste Fund (0676)	(\$205,810) or Up to (\$1,055,810)	(\$217,698) or Up to (\$1,067,698)	(\$221,964) or Up to (\$1,071,964)
Radioactive Waste Investigation Fund (0560)*	\$0	\$0	\$0
Total Estimated Net Effect on <u>Other</u> State Funds	(\$205,810) or Up to (\$1,055,810)	(\$217,698) or Up to (\$1,067,698)	(\$221,964) or Up to (\$1,071,964)

*Income and costs net to zero. Oversight notes the Radioactive Waste Investigation Fund has had no activity over the past nine fiscal years.

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Hazardous Waste Fund (0676)	2 FTE	2 FTE	2 FTE
Total Estimated Net Effect on FTE	2 FTE	2 FTE	2 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 2026	FY 2027	FY 2028
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§260.558 – Radioactive Waste Investigations

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

§260.558.1 - The proposed legislation modifies the “Radioactive Waste Investigation Fund” established in this section. The money would be used solely by the Department of Natural Resources to investigate concerns of exposure to radioactive waste. The department will be required to prioritize areas of concern, develop the work order and coordinate public comments on final reports. The investigation may be performed by state or federal agencies, or by contractors selected through a bidding process. The department will work with the applicable government agency or contractor to develop a sampling and analysis plan to determine if radioactive contaminants in the area of concern exceed federal standards set by the U.S. Environmental Protection Agency (USEPA) for remedial action due to contamination. The samples shall be analyzed for the isotopes necessary to correlate the samples with the suspected contamination, as described in the sampling and analysis plan. The limit on the transfer to the fund for this work is increased from \$150,000 to \$1,000,000. The extent of sampling and analysis work required under this legislation is unknown but will not be more than \$1,000,000. The department does not anticipate the need for additional FTE to conduct this work.

The proposed legislation is open to any location within the state where there is a concern regarding radioactive waste contamination. Therefore, it is difficult to estimate how many areas of the state would need an investigation, and specifically what radioactive isotopes would be of concern for a specific area. In addition, it should be noted that many radioactive isotopes are naturally occurring in the environment. When a site is identified as having radiological contamination, site specific risk-based values are established for cleanup. This legislation’s reference to USEPA standard does not address how to determine if a site is contaminated or not, which may include establishing area-wide background values for naturally occurring radioactive isotopes.

§260.558.2 - The proposed legislation increases the allowable transfer from the Hazardous Waste Fund into the Radioactive Waste Investigation Fund from \$150,000 per fiscal year to \$1,000,000 per fiscal year. Any money remaining at the end of two years reverts back into the Hazardous Waste Fund.

The proposed legislation does not have a sunset date. Therefore, it is assumed that any action can be taken at any point in the future. The proposed legislation does limit the maximum funding to \$1,000,000 per year. It is assumed this amount could be replenished into the fund annually as long as the need to develop testing plans and sampling continues.

The current Hazardous Waste Fund balance is used to support multiple programs, cover shortfalls in federal grant funding, and cannot support large increases in new spending without additional sources of revenue.

The department will work with the applicable government agency or contractor to develop a sampling and analysis plan to determine if radioactive contaminants in the area of concern exceed USEPA standards for a formal remedial investigation or other action due to contamination. The samples shall be analyzed for the isotopes necessary to correlate the samples with the suspected contamination, as described in the sampling and analysis plan.

For each site, the department estimates \$150,000 in costs for a contractor to conduct a study of the area of interest, perform sampling activities, and prepare a report. In addition, the Department of Natural Resources will require 2 FTE for oversight of the work related to the areas of concern.

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

Oversight notes this proposal increases the amount that can be transferred from the Hazardous Waste Fund to the Radioactive Waste Investigation Fund from \$150,000 to \$1,000,000. Oversight will reflect this increase as “\$0 or up to \$850,000” and will also reflect the increased amount as additional investigation costs.

Oversight notes the Hazardous Waste Fund (0676) had a balance of \$10,737,234 as of December 31, 2024. The Radioactive Waste Investigation Fund (0560) has not been utilized in at least the past nine years.

Officials from the **Office of the State Treasurer** assume the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note.

<u>FISCAL IMPACT – State Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
HAZARDOUS WASTE FUND (0676)			
<u>Costs - DNR</u>			
Personnel Service	(\$106,520)	(\$130,380)	(\$132,988)
Fringe Benefits	(\$64,146)	(\$78,515)	(\$80,085)
Expense & Equipment	(\$35,144)	(\$8,803)	(\$8,891)
<u>Total Costs - DNR</u>	(\$205,810)	(\$217,698)	(\$221,964)
FTE Change	2 FTE	2 FTE	2 FTE
<u>Transfer Out – DNR – to the Radioactive Waste Investigation Fund</u>	\$0 or (\$850,000)	\$0 or (\$850,000)	\$0 or (\$850,000)
ESTIMATED NET EFFECT ON THE HAZARDOUS WASTE FUND	(\$205,810) or Up to (\$1,055,810)	(\$217,698) or Up to (\$1,067,698)	(\$221,964) or Up to (\$1,071,964)
Estimated Net FTE Change to the Hazardous Waste Fund	2 FTE	2 FTE	2 FTE
RADIOACTIVE WASTE INVESTIGATION FUND (0560)			
<u>Transfer In – DNR – from the Hazardous Waste Fund</u>	\$0 or \$850,000	\$0 or \$850,000	\$0 or \$850,000
<u>Cost – DNR – investigations of radioactive waste</u>	\$0 or (\$850,000)	\$0 or (\$850,000)	\$0 or (\$850,000)
ESTIMATED NET EFFECT ON THE RADIOACTIVE WASTE INVESTIGATION FUND	\$0	\$0	\$0

<u>FISCAL IMPACT – Local Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
	\$0	\$0	\$0

FISCAL IMPACT – Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

Currently, the Department of Natural Resources must use the Radioactive Waste Investigation Fund to investigate concerns of waste exposure submitted by a local governing body. This bill allows the Department to determine sites for investigation based on criteria specified in the bill.

The bill also requires the Department to prioritize the information and develop a plan as to how any investigation will proceed.

The Department may hold meetings related to organization and data collection. All final reports will be public after a public comment period on the preliminary report of at least 90 days.

This bill specifies that the investigation may include collection of soil, dust, and water samples from the area. If the Department suspects that radioactive contaminants are on a property owned by a governmental agency that will not grant access for the investigation, the Department must seek a warrant to access the property.

Currently, the General Assembly can transfer up to \$150,000 to the Fund to be used by the Department of Natural Resources to investigate concerns of exposure to radioactive waste. The bill also increases the amount of money the General Assembly can transfer to the fund from the Hazardous Waste Fund to \$1 million and limits the expenditures per fiscal year to \$1 million transferred from the Hazardous Waste Fund and any additional General Revenue appropriated.

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
Office of the State Treasurer



Julie Morff
Director
January 26, 2025



Jessica Harris
Assistant Director
January 26, 2025

