

Fiscal Estimate - 2005 Session

- Original Updated Corrected Supplemental

LRB Number 05-3740/3 **Introduction Number** SB-546

Description
Identification and cleanup of properties that are environmentally contaminated; properties with residual contamination; modifying the environmental remediation tax incremental financing program; exempting local governmental units from solid waste management standards with respect to certain properties; the liability of certain persons for environmental contamination on property on which a cleanup has been conducted; and granting rule-making authority

Fiscal Effect

State:

No State Fiscal Effect
 Indeterminate

Increase Existing Appropriations Increase Existing Revenues
 Decrease Existing Appropriations Decrease Existing Revenues
 Create New Appropriations

Increase Costs - May be possible to absorb within agency's budget
 Yes No
 Decrease Costs

Local:

No Local Government Costs
 Indeterminate

1. Increase Costs 3. Increase Revenue
 Permissive Mandatory Permissive Mandatory
2. Decrease Costs 4. Decrease Revenue
 Permissive Mandatory Permissive Mandatory

5. Types of Local Government Units Affected
 Towns Village Cities
 Counties Others
 School Districts WTCS Districts

Fund Sources Affected **Affected Ch. 20 Appropriations**

GPR FED PRO PRS SEG SEGS 20.143 (3) (v)

| Agency/Prepared By | Authorized Signature | Date |
|--------------------------------------|--------------------------------|----------|
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Fiscal Estimate Narratives

COMM 2/9/2006

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Assumptions Used in Arriving at Fiscal Estimate

This bill makes numerous changes to laws governing environmental remediation and discharges of hazardous substances into the environment. The bill will primarily affect those remediations administered by the Departments of Commerce, Natural Resources and Agriculture, Trade and Consumer Protection. This bill will enable the Department to impose additional requirements as a condition for approving initial remedial action or for issuing a case closure letter following remediation of a Petroleum Environmental Clean-up Fund Award (PECFA) site. Under this bill, the Department may require the ongoing maintenance of an engineering control on the site. In addition, the Department may require an additional investigation and subsequent remediative activity if a building or structure that had prevented a complete investigation or remedial action is subsequently removed from that site. Lastly, the Department is authorized to promulgate rules to impose further limitations or conditions upon the PECFA program to ensure the public's health, environmental protection and to promote economic development.

It is likely that the provisions of this bill will impose additional costs on the Department; however, it is likely that any additional costs can be absorbed within current administrative and remediative allotments. This bill will require the Department to promulgate administrative rules to define what additional limitations or conditions it may impose under certain circumstances. Additionally, as these additional costs are permissive and would likely only occur in a minority of remediative cases, the Department does not anticipate the need for additional funds.

SB-546 may impose additional requirements upon local units of government regarding environmental remediation; however, any additional costs are potentially eligible for reimbursement from the PECFA program. This bill could potentially impose additional administrative requirements upon local units of government. The additional workload is indeterminable as it would depend on the number of eligible sites and the necessary remediative actions in each political subdivision.

Long-Range Fiscal Implications