

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 5603-02  
Bill No.: HCS for HB 1647  
Subject: Waste - Hazardous; Fees; Natural Resources Dept.  
Type: Original  
Date: March 6, 2012

Bill Summary: This proposal extends the time period for the collection of fees for hazardous substances in the workplace from 20 years to 30 years.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
<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 2013	FY 2014	FY 2015
Chemical Emergency Preparedness	\$665,020	\$798,024	\$798,024
<b>Total Estimated Net Effect on Other State Funds</b>	<b>\$665,020</b>	<b>\$798,024</b>	<b>\$798,024</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 6 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>
<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>			
<b>FUND AFFECTED</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>
<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>			
<b>FUND AFFECTED</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials at the **Missouri State Emergency Management Agency (SEMA)** assume the current chemical preparedness fee will end August 28<sup>th</sup>, 2012. This proposal will allow the Missouri Emergency Response Commission (MERC) to continue to collect annual fees for hazardous material storage.

SEMA assumes an extension of the fee will allow continued support of safety training for first responders and local emergency planning commissions.

SEMA assumes each state is required to appoint a State Emergency Response Commission and collect Tier II data for planning and training of hazardous materials. Missouri has a fee that maintains this program with no cost to the state. If the fee expires, the state will continue to have to collect these forms as required by the Federal Emergency Planning and Community Right to Know Act, Title 42 Chapter 116.

SEMA assumes if employers opt-in to the section that allows their Tier II fees to be specifically distributed to LEPC's of their choosing, there will be an estimated revenue collection of \$0-\$90,000. The \$10 per facility fee will be used to cover actual expenses such as postage and paper/CD duplication. There will be no additional costs for labor.

SEMA state they have included these costs in there current budget and fees collected over the last two collections periods have increased by 2%.

SEMA assumes if the fee is extended the Department of Transportation and Department of Natural Resources will continue to pay their annual fees to the Chemical Emergency Preparedness Fund.

SEMA assumes the following revenue deposited into the Chemical Emergency Preparedness Fund from fee collections should the proposal become law.

FY13 = \$782,376  
FY14 = \$798,024  
FY15 = \$798,024

ASSUMPTION (Continued)

**Oversight** assumes costs for postage, paper, and CD duplication distributed to employers will be offset by the \$10 per facility fee charged to employers and paid through the Chemical Emergency Preparedness Fund.

**Oversight** assumes this proposal is an extension of the chemical preparedness fee. The chemical preparedness fee is not federally required by the Federal Emergency Planning and Community Right to Know Act, Title 42 Chapter 116. However, the underlying program the fee supports is required by the federal act.

**Oversight** assumes a positive fiscal impact to the Chemical Emergency Preparedness Fund as a result of this proposal as under current law the fee will expire August 28<sup>th</sup>, 2012. This proposal extends the expiration of the fee to August 28<sup>th</sup>, 2018.

Officials at the **Department of Public Safety - Division of Fire Safety (DFS)** state chemical preparedness fees are collected for hazardous substances in the workplace and deposited in the Chemical Emergency Preparedness Fund (0587) of which DFS currently receives 10% of funds collected from this program since its inception with a cap of \$100,000.

DFS has received on average \$72,000 - \$78,000 annually from this fee.

DFS state these funds are used to provide at no-cost hazardous materials training to emergency responders. DFS contracts with various providers of hazardous materials training to provide training to emergency hazardous materials responders. Funds support on average 35 training courses annually to 2,200 responders.

DFS state chemical preparedness fees are the only funding source for these training programs provided at no-cost to responders.

Officials at the **Department of Natural Resources (DNR)** assumes this proposal would extend the chemical preparedness fee. Currently this fee is set to expire August 28, 2012.

DNR state the department does not have an appropriation for this fund, but currently, pursuant to section 640.235, 10% of all Natural Resource Damages (NRD) moneys collected by the department are required to be deposited into the chemical preparedness fund as referenced in this proposal.

ASSUMPTION (Continued)

DNR assumes if this fee is not extended, the 10% NRD requirement would still apply.

DNR assumes there is no fiscal impact from this proposed legislation.

Officials at the **Missouri Public Service Commission** and **Department of Transportation** each assumes there is no fiscal impact from this proposed legislation.

In response to the previous version, officials at the and **Office of Administration - Division of Budget and Planning** assumed there was no fiscal impact from this proposed legislation.

Officials at the **Department of Labor and Industrial Relations** did not respond to Oversight's request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
<b>CHEMICAL EMERGENCY PREPAREDNESS FUND</b>			
<u>Revenue - Chemical Preparedness Fee Extension</u>	<u>\$665,020</u>	<u>\$798,024</u>	<u>\$798,024</u>
<b>ESTIMATED NET EFFECT ON CHEMICAL EMERGENCY PREPAREDNESS FUND</b>	<b><u>\$665,020</u></b>	<b><u>\$798,024</u></b>	<b><u>\$798,024</u></b>
<u>FISCAL IMPACT - Local Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
	<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

Extends the authorization for the collection of fees for hazardous substances in the workplace from August 28, 2012, to August 28, 2018.

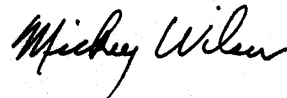
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Public Safety -  
    Missouri State Emergency Management Agency  
Department of Public Safety -  
    Division of Fire Safety  
Department of Natural Resources  
Department of Economic Development -  
    Missouri Public Service Commission  
Office of Administration -  
    Division of Budget and Planning  
Department of Transportation

NOT RESPONDING

Department of Labor and Industrial Relations



Mickey Wilson, CPA  
Director  
March 6, 2012