

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5714-04
Bill No.: HCS for SB 760
Subject: Natural Resources Department; Surveyors; Waste - Hazardous; Waste -
Radioactive
Type: Original
Date: May 11, 2012

Bill Summary: This proposal changes the laws regarding the Department of Natural Resources.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
General Revenue	(Up to \$19,140)	\$0	\$0
Total Estimated Net Effect on General Revenue Fund	(Up to \$19,140)	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 27 pages.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Environmental Radiation Monitoring	(More than \$100,000)	(More than \$100,000)	(More than \$100,000)
Vehicle Revolving	(\$2,963)	(\$2,963)	(\$2,963)
Highway	(\$18,369)	(\$18,369)	(\$18,369)
Chemical Emergency Preparedness	\$665,020	\$798,024	\$798,024
Water Patrol	\$8,700	\$8,700	\$8,700
Safe Drinking Water	\$0 to \$3,833,333	\$0 to \$4,600,000	\$0 to \$4,600,000
Total Estimated Net Effect on <u>Other</u> State Funds	\$0 to \$3,833,333	\$0 to \$4,600,000	\$0 to \$4,600,000

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Federal	(\$773)	(\$773)	(\$773)
Drinking Water State Revolving	\$12,000,000 to \$18,000,000	\$12,000,000 to \$18,000,000	\$12,000,000 to \$18,000,000
Total Estimated Net Effect on <u>All</u> Federal Funds	\$12,000,000 to \$18,000,000	\$12,000,000 to \$18,000,000	\$12,000,000 to \$18,000,000

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on FTE	0	0	0

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).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Counties	Minimal	Minimal	Minimal

FISCAL ANALYSIS

ASSUMPTION

Section 29.380 - Audits of Solid Waste Management Districts

Officials at the **Department of Natural Resources (DNR)** assumes this proposed section would give the State Auditor the authority to audit solid waste management districts created under section 260.305 in the same manner as the Auditor may audit any agency of the state.

DNR assumes beginning August 28, 2012, the State Auditor may conduct an audit of each solid waste management district created under section 260.305 and thereafter shall conduct audits of each solid waste management district created under section 260.305 as he or she deems necessary.

Officials at the **Office of the State Auditor (SAU)** assumes this proposed section would require 3 additional FTE.

Oversight assumes there is no fiscal impact from this proposed legislation on state or local government funds as the language in the section is permissive. The SAU is permitted to audit Solid Waste Management Districts but is not required.

Sections 34.032 - Recycled Content in Newspapers

Officials at the **Department of Natural Resources (DNR)** assumes this proposal has the potential to positively impact small publishing businesses that publish a newspaper with a daily distribution of 15,000 or more on the first day published.

DNR assumes the economic impact of the proposed legislation would be positive as publishers would no longer be spending time to report information on recycled content newsprint used by the publication and the cost of time spent completing any associated waiver requests.

DNR state over the past 3 years, DNR has seen a steady decline in the print publications within the state required to report recycled content as evidenced by the number of certified letters mailed.

DNR state the department received 102 letters in CY 2008, 88 in CY 2009, 69 in CY 2010 and 67 in CY 2011 from newspaper publishing companies.

DNR state from the responses received thus far for CY 2011, the Department is aware several more newspaper publications will no longer meet the requirements for submitting information.

ASSUMPTION (Continued)

DNR assumes the proposed repeal of 260.255 RSMo will allow a minimal amount of one staff person's time to be redirected towards other environmental tasks within the Solid Waste Management Program (SWMP). The SWMP would see a minimal reduction in expenses related to the cost associated with certified mailings from newspaper publications.

Oversight assumes there is no fiscal impact from this section on state or local government funds.

Sections 59.319 - 60.620 - Land Survey Program

Officials at the **Department of Natural Resources (DNR)** assumes this proposal will require no more than ten percent of all moneys collected under this subsection to pay for state and department administrative cost allocation. All income, interest, and moneys earned from such investments shall be deposited into the Missouri Land Survey Fund.

DNR assumes this would result in an estimated cost allocation reduction of \$207,911 in FY13. The state's central services, department administrative activities, and information technology activities such as the land survey index would be reduced. Some of these services may be direct billed, or other replacement funding sources such as general revenue would have to be requested.

Oversight assumes DNR would absorb the cost allocation reduction of \$207,911 in FY13 or direct bill these costs.

Section 59.319:

DNR state this section would create the Missouri Land Survey Fund in which to deposit the existing \$1 fee to be utilized for the purposes of sections 60.510 to 60.620 and section 60.670. The state treasurer would be custodian of the fund and would approve disbursements from the fund in accordance with sections 30.170 and 30.180, RSMo.

Section 60.540:

DNR assumes this section would give DNR the authority to purchase property for the establishment of an office for the Land Survey Program. If additional office(s) are established by the program, this could lead to increased administrative costs and increase maintenance and capital improvement costs.

ASSUMPTION (Continued)

Section 60.570:

DNR state this section would allow the land survey program to establish regional offices in the metropolitan areas of the state for the storage and distribution of local survey record information. If additional office(s) are established by the program, this could lead to increased administrative costs and increase maintenance and capital improvement costs.

DNR assumes an unknown fiscal impact for this section due to variables associated with how many offices may be established and associated needs for each office. If additional office(s) are established by the program this could lead to increased administrative costs and increase maintenance and capital improvement costs.

Section 60.620:

DNR states this section would establish a new Land Survey Commission to replace the Land Survey Advisory Committee and would increase membership from 5 to 7 members.

Land Survey Program as a Whole:

DNR assumes an unknown overall fiscal impact from the Land Survey Program due to variables associated with how many offices may be established and associated needs for each office. If additional office(s) are established by the program this could lead to increased administrative costs and increase maintenance and capital improvement costs.

Oversight assumes any administrative costs and costs for the reimbursement of new commission members could be absorbed through the existing land survey user fees and existing appropriation.

Oversight assumes this proposal states the Land Survey Program may establish and maintain regional offices in metropolitan areas for the storage and distribution of local survey record information.

Oversight assumes this program already exists and DNR has regional offices for storage and distribution of local survey record information throughout the state at its current locations. If DNR seeks to establish separate regional offices for the Land Survey Program then additional funding for the administrative costs and office space may be requested through the normal appropriation process at that time.

ASSUMPTION (Continued)

Section 67.4505 - County Drinking Water Supply Lake Authorities

Officials from the **State Tax Commission** and **Department of Natural Resources** each assume the current proposal would not fiscally impact their respective agencies.

Oversight assumes this proposed section creates a county drinking water supply lake authority in Christian County to promote the general welfare and a safe drinking water supply through the construction, operation and maintenance of a drinking water supply lake in the county. This proposal is discretionary and would have no local fiscal impact without action by the governing body.

Section 252.043 - Suspension of Hunting Privileges

Officials at the **Department of Conservation (MDC)** assumes this proposed section allows hunting privileges to be denied for up to 10 years for any person who kills someone else while hunting.

MDC assumes this proposal would have minimal fiscal impact on the Conservation Commission Fund.

Oversight assumes there is no fiscal impact from this proposed section on the Conservation Commission Fund or any other state funds.

Section 260.330 - Solid Waste Tonnage Fees

Officials at the **Department of Natural Resources (DNR)** assumes this proposal limits the ability of the department to increase the solid waste tonnage fee with the exception being an annual increase based upon the CPI or its successor index on only the department's 39% share of the fees.

DNR assumes Solid Waste Management Districts fund local grants that are made available to small and large businesses, municipalities, and individuals for reduce/reuse/recycle projects. The exact decrease in funding is indeterminable due to the number of variables affecting generation and disposal of solid waste in the state.

ASSUMPTION (Continued)

DNR states the department does not receive any General Revenue funds for solid waste activities and assumes this proposal would only impact Total State Revenue if the department has a need to increase the solid waste tonnage fee at a rate greater than the annual increase in the CPI.

DNR states the total tonnage entering landfills is decreasing.

DNR states since the department is allowed to retain only 39% of the solid waste tonnage fees, the remaining fees are statutorily required to be distributed as follows: \$800,000 to Environmental Improvement and Energy Resources Authority's Market Development Program and 61% + \$200,000 to the 20 solid waste management districts, the potential exists in the future for the department to become unable to provide all services required by statute due to revenues being less than needed to operate the program.

DNR assumes the exact fiscal impact and the point at which solvency of the program will become an issue to the department is unknown.

Officials at the **St. Louis - Jefferson Solid Waste Management District, Mid America Regional Council Solid Waste Management District, and Region M Solid Waste Management District (SWMD)** each state the Solid Waste Management Fund was created in 1990 with an established fee of \$1.50 per ton for waste disposed in Missouri landfills. The original fee could be adjusted by inflation according to the consumer price index. In 2005 the fee was capped at \$2.11 per ton with an expiration date of October 1, 2014.

SWMD states a study was conducted by the University of Missouri that estimated if the cap on the waste disposal fee had not been implemented the current fee would be \$2.55 per ton, a difference of \$0.44 cents per ton from the capped fee.

SWMD assumes this proposal permanently caps solid waste management fees paid into the Solid Waste Management Fund which will reduce future resources available to support the recycling industry.

Oversight assumes this proposal removes the October 1, 2014 end date for the annual adjustment for inflation cap on solid waste management fees.

Oversight assumes this proposal is a continuation of the cap beyond October 1, 2014 and will result in no change to the current rate at which solid waste management fees are assessed but permanently prevent an annual inflation adjustment for those fees.

ASSUMPTION (Continued)

Oversight assumes DNR and SWMD will match costs to meet the revenues received from solid waste management fees and therefore have no additional fiscal impact on state or local government funds.

Section 260.373 - Hazardous Waste

Officials at the **Department of Natural Resources (DNR)** assume this proposed new section would limit the authority of the Commission to promulgate rules to implement the Hazardous Waste Management Law found in sections 260.350 to 260.434 RSMo. Other provisions of law notwithstanding, the Commission would only have authority to establish standards that are required under the federal Resource Conservation and Recovery Act (RCRA).

DNR state the federal act establishes a regulatory framework for hazardous waste generators, hazardous waste transporters, and permitted hazardous waste facilities. Section 260.373.1 of the proposal states that standards established by the commission shall not be any stricter than those required under RCRA.

DNR state once EPA has adopted rules at the federal level, states then adopt rules at the state level that are functionally equivalent to the federal rules on the same topic. The basic test applied by EPA in determining whether states meet the requirement to be authorized is that state programs may not be less stringent than the federal laws and regulations adopted under RCRA. States can be more stringent or broader in scope than EPA; they just cannot be less stringent.

DNR assumes Missouri, like many other states, implements the requirement of authorized states to be no less stringent by incorporating the federal regulations by reference. Missouri then modifies the federal regulations, and the state modifications are what constitute the majority of the hazardous waste rules found in Title 10, Division 25 of the Code of State Regulations. Because all that is required of authorized states is that they be no less stringent, any of the Missouri regulations could be determined to be prohibited by this bill as everything in the state rules either provides additional clarification, adds to, excludes from, or otherwise modifies the federal regulations that are incorporated by reference. None of this additional material is "required", so consistent with section 260.373.1, which limits the commission's authority to standards that are required under RCRA, the department anticipates that many of our existing state rules on hazardous waste would have to be repealed.

ASSUMPTION (Continued)

DNR assumes many of these rules have been developed to address situations that are either: 1) unique to Missouri; 2) that are otherwise unaddressed or incompletely addressed in the federal regulations; or 3) that are in response to statutory requirements developed by the legislature and signed into law. The state regulations that are stricter than federal were promulgated by the Hazardous Waste Management Commission to be responsive to the needs and concerns of citizens and to help prevent contamination of land, surface water, groundwater and air.

DNR assumes in reviewing the Missouri program as a whole, the EPA considers the state requirements that are more stringent when determining that the program as a whole is no less stringent, even though there are certain state regulations that are actually less stringent than what is required under federal regulations. It is likely that EPA would reconsider these provisions if Missouri's ability to offset the less stringent provisions of its program with additional state-specific requirements were eliminated.

Oversight assumes all rules would be set to maintain compliance with RCRA.

Oversight assumes any fees established in statute for the Hazardous Waste Program or Solid Waste Management Program as related to fees will remain the same.

Oversight assumes fees established by rule would be set to match the required costs of compliance with RCRA resulting in no additional fiscal impact from this proposed section on state or local funds.

Section 260.392 - Radioactive Waste Transport Fee

Officials at the **Department of Natural Resources (DNR)** assumes the proposed changes would exempt all Highway Route Controlled Quantity (HRCQ) radioactive shipments from the current fee. This fee is projected to account for approximately 69% of the revenues to the Environmental Radiation Monitoring Fund (Fund 0656). The fee currently supports functions such as the Missouri State Highway Patrol escorts for such vehicles, safety, and radiation measurement and inspections by the Missouri Department of Health and Senior Services, equipment purchased to ensure radiation safety for the public, and training to first responders across the state that would respond to an accident involving those radioactive shipments.

DNR assumes currently, most of those functions are related to or conducted on HRCQ shipments, and the services that help protect the citizens of Missouri are supported by the transport fees.

ASSUMPTION (Continued)

DNR assumes a revenue reduction of \$282,600 per year for the Environmental Radiation Monitoring Fund and unknown revenue reductions for the General Revenue Fund, Parks, and Soil and Water Fund, and for local governments for this proposal.

Officials from the **Department of Transportation (MODOT)** deferred to the Department of Revenue for an estimate of the fiscal impact of this proposal.

Officials from the **Department of Transportation, Motor Carrier Services (MCS)** provided an estimate in response to a previous version of this proposal that approximately 60% of the 6,487 companies registered with their organization were common carriers, with the balance split between contract carriers and private carriers. MCS officials estimated that there were about the same number of contract carriers as private carriers.

Officials from the **Department of Health and Senior Services (DHSS)** noted that this proposal would make certain shipments exempt from transport fee provisions of in current state law. DHSS defers to the Department of Natural Resources for an estimate of the revenue reduction to the Environmental Radiation Monitoring Fund.

DHSS assumes this proposal would also appear to exempt these shipments from a radiological safety inspection once they enter Missouri if they passed the North American Standard Level VI inspection at the point of origin, unless such inspection is determined to be necessary at the discretion of state safety resources. These provisions could have an unknown impact on the department's ability to meet other current requirements for "Inspections, escorts, and security for waste shipment and planning".

DHSS assumes currently, all HRCQ shipments coming through the state are escorted by the Missouri State Highway Patrol (MSHP) to a secure location then given a "radiological safety inspection" at that location by DHSS staff. MSHP then continues to escort the shipment to the state line.

DHSS assumes costs for this program are supported by the Environmental Radiation Monitoring Fund. In FY 2012 to date, DHSS has incurred expenses of \$36,783; a majority of this cost was for inspections but approximately \$5,500 was spent on developing training. DHSS officials estimated that costs for personal services, training, and equipment for future fiscal years would increase to an estimated \$100,000 as shipments increase and required training of state and local emergency responders and health officials is implemented.

ASSUMPTION (Continued)

Oversight will include a revenue reduction of more than \$100,000 per year for the Environmental Radiation Monitoring Fund for the elimination of the Highway Route Controlled Quantity fee.

Section 292.606 - Chemical Preparedness Fee

Officials at the **Missouri State Emergency Management Agency (SEMA)** assume the current chemical preparedness fee will end August 28th, 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 28th, 2012. This proposal extends the expiration of the fee to August 28th, 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.

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.

ASSUMPTION (Continued)

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

Section 306.127 - Boating Safety Identification Card

Officials from the **Missouri Highway Patrol (MHP)** stated this proposed section would require any person or company that rents or sells vessels to issue a temporary boating safety identification card to a nonresident in order to operate a rented vessel or vessel being considered for sale for a period up to seven days. The cost to purchase a permit is \$7.

MHP assumes because nonresidents will not be eligible for more than one temporary boating safety identification card, the Highway Patrol states that it would take two FTE approximately 400 hours to design, develop, test, and implement a database for officers to access in order to verify compliance. The Patrol will develop this program in-house; therefore, any costs associated with the development and implementation of this database will be absorbed by the Patrol. In addition, the cost for approximately 1,000 permits which includes the water-proof paper and printing would be approximately \$300. The Patrol assumes it will sell between 500 and 1,000 permits in a year. For purposes of this fiscal note, the Patrol estimates that 1,000 permits will be issued throughout a year ($\$7 \times 1,000 = \$7,000$). The Patrol assumes the cost and revenue from this proposal will be through the Water Patrol Fund.

Oversight assumes this Senate Substitute increases the fee that the Highway Patrol can collect from \$7 to \$9. Therefore the MHP will collect \$9,000 per year ($1,000 \times \9) from this proposal. The Senate Substitute also has an emergency clause; therefore, Oversight will reflect a full year of impact in FY 2013.

Section 393.1000, 393.1003 - Infrastructure Replacement Surcharge

Officials at the **Department of Economic Development Divisions** of the **Office of Public Counsel (OPC)** and **Missouri Public Service Commission (PSC)** each assumes this proposed section allows recovery of costs for eligible infrastructure system replacements (ISRS) provided that the ISRS, on an annualized basis, must produce ISRS revenues of at least ten thousand dollars for a small water corporation. This would allow most, if not all, regulated water companies to recover infrastructure system replacements. Commission Staff would need to monitor and inspect all infrastructure replacements for regulated, small water companies to make sure the work was completed and expenses were prudently incurred and ensure the replacement allowed for the delivery of safe and adequate service.

ASSUMPTION (Continued)

PSC staff would monitor and inspect all infrastructure replacements for regulated, small water companies to make sure the work was completed and expenses were prudently incurred and ensure the replacement allowed for the delivery of safe and adequate service. There are 69 small water corporations in Missouri that would require this additional oversight.

DED requests the following FTE, responsible for inspecting, monitoring, and providing recommendations to the Commission on the infrastructure system replacements as required by this proposed section.

Utility Engineering Specialist III - Range 32 Step J
Utility Engineer I - Range 32 Step J

Oversight assumes any additional costs incurred by the PSC related to this proposed section could be absorbed by the department. If DED experiences a measurable increase in responsibilities as a result of this proposed section, DED may request additional appropriation and FTE authority through the normal appropriation process.

Sections 571.010, 571.020, 571.030, 571.101, 571.111, & 571.117 - Knives and Unlawful Use of a Weapon

Officials at the **Department of Revenue (DOR)** state the proposed sections allow issuance of a certificate of qualification for a concealed carry endorsement to an applicant who "Is at least eighteen year of age and a member of the United States Armed Forces, is a citizen of the United States and either: (a) Has assumed residency in this state; or (b) Is station in Missouri."

The proposed change in this section will require the Department to modify its concealed carry certificate file to accept a new waiver indicator entered by the sheriff agency and transmitted through MULES for persons who the sheriff has determined meets the military waiver eligibility requirements allowing issuance of a concealed carry certificate.

DOR assumes this proposal adds "hunting knife whether fixed blade of folding in nature" to the list of terms in Section 571.010. This should result in no fiscal impact to the Driver License Bureau.

DOR assumes this proposal adds "Dealing with the weapon sole as a curio, ornament or keepsake." in section 571.020 to the list of non-criminal actions. This should result in no fiscal impact to the Driver License Bureau.

ASSUMPTION (Continued)

DOR assumes this proposal adds, "Possesses a firearm while also knowingly in possession of controlled substances that are sufficient for a felony violation under section 195.202" to the list of criminal actions in section 571.030. This should result in no fiscal impact to the Driver License Bureau.

DOR assumes this proposal adds an exemption for persons "eighteen of years of age and a member of the United States Armed Forces." This should result in no fiscal impact to the Driver License Bureau.

DOR's Driver License Bureau (DOR-DLB) stated the proposed changes will require:

- Draft updates to web site information on CCW.
- Update office procedures.
- Update the Missouri Driver Guide (on-line and printed versions). It is assumed these changes will be included upon the next review and reorder and will not require additional costs for destruction of the prior guides and reissuance of updated guides.
- Development of a requirements document to define modifications to concealed carry endorsement issuance processes and age edits in the Missouri Electronic Driver License system (MODL).

DOR-DLB assumed the following administrative impact in FY 13:

Administrative Analyst -	240 hrs @ \$24 (1 ½) per hr	\$5,760
Management Analysis Specialist II -	280 hrs @ \$23 per hr	\$6,440
Revenue Band Manager -	40 hrs @ \$30 per hr	<u>\$1,200</u>
	Total =	\$13,400

Cost for Personnel Services Bureau to update web site and related forms for CCW information changes:

FY 13		
Administrative Analyst III	40 hrs@ \$22 per hr	\$ 880
2 Management Analysis Specialist I -	80 hrs@ \$21 per hr	<u>\$1,680</u>
	Total	\$2,560

DOR also assumed a cost of \$3,180 for an over the counter contract program. In summary, DOR assumed an administrative cost of \$19,140 (\$13,400 + \$2,560 + \$3,180) in FY 2013. DOR stated it is unknown, based on other legislation and daily priorities, exactly if this extra time would be straight time hours or actual overtime hours.

ASSUMPTION (Continued)

Oversight assumes DOR's administrative work related to this proposal could potentially be performed during working hours and therefore, would not create an additional fiscal impact to DOR. Therefore, Oversight will reflect the cost to DOR as 'Up to \$19,140'.

Officials from the **Boone County Sheriff's Department** assume the proposal could result in additional revenue for the county. This proposal would increase the number of eligible applicants; however, it is unknown and cannot be projected based on this change. It is not expected to be significant.

Section 577.073 - Use of State Park Roads and Trails

Officials at the **Department of Natural Resources (DNR)** state this proposal would allow persons operating commercial and non-commercial vehicles use of roads and trails in Missouri's State Parks and Historic Sites, without permission or contractual arrangements from the department, for the purpose of transporting persons or vehicles, including, but not limited to bicycles and canoes.

DNR state the department is authorized to contract with small business to operate public services within Missouri's State Parks and Historic Sites.

DNR state currently, no person is permitted to use park facilities, buildings, trails, roads or other state park property for commercial use except by written permission or concession contract with DNR.

DNR assumes many of the concessionaire contracts the department operates under, include the use of watercraft rentals which the department receives a portion of revenue.

DNR assumes allowing canoe rental organizations to utilize state parks could potentially take away revenue received by the department from the parks that have watercraft services.

DNR assumes by allowing this exemption, the concessionaire operating the services at the park could see reduced sales of items such as watercraft and bicycle rentals. Allowing canoe rental organizations to utilize state parks could potentially take away revenue received by DNR from the parks that have watercraft services. The department receives approximately \$100,000 in annual revenue through the use of watercraft rentals.

Oversight assumes this proposal would allow commercial and noncommercial organizations to use trails and roads within Missouri State Parks for the purpose of transporting persons and vehicles, including but not limited to bicycles and canoes.

ASSUMPTION (Continued)

Oversight assumes any costs related to this proposal would be minimal and could be absorbed by DNR.

Oversight assumes if DNR experiences a significant increase in costs or a reduction in revenue as a result of this proposal, the department may request additional funding through the normal appropriation process.

Oversight assumes this proposal contains an emergency clause with an effective date upon passage and approval.

Oversight assumes there is no fiscal impact from this proposed legislation on state or local government funds.

Section 640.100 - Extends the Safe Drinking Water Fee

Officials at the **Department of Natural Resources (DNR)** assume this section would extend the drinking water primacy fee in Section 640.100, RSMo until September 1, 2017. Currently this fee is set to expire September 1, 2012.

DNR states, this proposal would continue funding to implement, administer, and enforce public drinking water requirements for safe drinking water provided to the public. Public water systems serve more than 90% of Missouri citizens.

DNR states, this proposal would continue support for monitoring, regulatory oversight, and contaminant mitigation as necessary to provide safe drinking water.

DNR states, primacy fees provide 43% of the support needed for the department's public drinking water effort, allowing the state to maintain its delegated authority, or primacy, under the federal Safe Drinking Water Act.

DNR states, primacy fees provide the match for the 10 percent set-aside of the Drinking Water State Revolving Fund capitalization grants for public water system supervision. In order to obtain these federal funds of approximately \$1.0 million per year, Missouri is required to provide at least an equal amount of state funds, at least half of which must be in addition to the amount the state expended in Federal Fiscal Year 93. Without renewal of these fees the department will not be able to provide the required state matching funds.

ASSUMPTION (Continued)

DNR states, with passage of this proposal, the state would be able to maintain its primacy delegation authority and qualify for federal state revolving fund capitalization grants that provide low-cost loans to public water systems and funding for source water protection and other specified activities under the federal Safe Drinking Water Act.

DNR states, the department does not anticipate a fiscal impact as a result of this proposal if the sunset date is extended. However, if the sunset provision is not amended as proposed, the estimated total loss of revenue to support safe drinking water in Missouri is approximately \$4.6 million per year to the Safe Drinking Water Fund.

Oversight assumes the proposed legislation does not change DNR's authority but would continue to fund an existing program. Current law contains an expiration date of September 1, 2012 for the collection of the drinking water primacy fee. This proposal would extend the expiration date of the safe drinking water primacy fees by 5 years to September 1, 2017.

Oversight assumes under federal law, only states that maintain their primacy delegation qualify for federal capitalization grants for the Drinking Water State Revolving Fund (DWSRF). The extension of the primacy fee will continue to draw down federal matching grants of \$12,000,000 to \$18,000,000 per fiscal year to the DWSRF.

Section 644.026 - Clean Water Commission

Officials at the **Department of Natural Resources (DNR)** assumes this proposed section permits any person who submits written comments or oral testimony on a proposed rule shall, at any public meeting to vote on an order or rulemaking or other commission policy, have the opportunity to respond to the proposed order of rulemaking or DNR response to comments to the extent that such response is limited to issues raised in oral or written comments made during the public notice comment period or public hearing on the proposed rule.

DNR assumes no direct fiscal impact from this proposed section.

ASSUMPTION (Continued)

Bill as a Whole

Officials from the **Office of the Secretary of State (SOS)** state many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with the core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process.

Officials at the **Office of Attorney General (AGO)** assumes that any potential costs arising from this proposal can be absorbed with existing resources.

Officials at the **Joint Committee on Administrative Rules** assume this proposal is not anticipated to cause a fiscal impact beyond its current appropriation.

Officials at the **Office of Administration - Division of Budget and Planning, Office of State Courts Administrator, Department of Mental Health, Department of Conservation, State Treasurer's Office, Department of Labor and Industrial Relations, Missouri Tax Commission, and Harrison County Health Department** each assumes there is no fiscal impact from this proposed legislation.

<u>FISCAL IMPACT - State Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
GENERAL REVENUE			
<i>Sections 571.010, 571.020, 571.030, 571.101, 571.111, & 571.117 - Knives and Unlawful Use of a Weapon</i>			
<u>Costs - Department of Revenue</u>			
Administrative changes to change concealed carry endorsements on driver's and non-driver's license	<u>(Up to \$19,140)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>(Up to \$19,140)</u>	<u>\$0</u>	<u>\$0</u>
ENVIRONMENTAL RADIATION MONITORING FUND			
<i>Section 260.392 - Radioactive Waste Transport Fee</i>			
<u>Revenue reduction - Transport fee elimination</u>	<u>(More than \$100,000)</u>	<u>(More than \$100,000)</u>	<u>(More than \$100,000)</u>
ESTIMATED NET EFFECT TO THE ENVIRONMENTAL RADIATION MONITORING FUND	<u>(More than \$100,000)</u>	<u>(More than \$100,000)</u>	<u>(More than \$100,000)</u>
VEHICLE REVOLVING FUND			
<i>Section 260.392 - Radioactive Waste Transport Fee</i>			
<u>Revenue Reduction - Transport fee elimination</u>	<u>(\$2,963)</u>	<u>(\$2,963)</u>	<u>(\$2,963)</u>
ESTIMATED NET EFFECT TO THE VEHICLE REVOLVING FUND	<u>(\$2,963)</u>	<u>(\$2,963)</u>	<u>(\$2,963)</u>

<u>FISCAL IMPACT - State Government</u> (Continued)	FY 2013 (10 Mo.)	FY 2014	FY 2015
HIGHWAY FUND			
<i>Section 260.392 - Radioactive Waste Transport Fee</i>			
<u>Revenue Reduction</u> - Transport fee elimination	<u>(\$18,369)</u>	<u>(\$18,369)</u>	<u>(\$18,369)</u>
ESTIMATED NET EFFECT TO THE HIGHWAY FUND	<u>(\$18,369)</u>	<u>(\$18,369)</u>	<u>(\$18,369)</u>
CHEMICAL EMERGENCY PREPAREDNESS FUND			
<i>Section 292.606 - Chemical Preparedness Fee</i>			
<u>Revenue</u> - Chemical Preparedness Fee Extension	<u>\$665,020</u>	<u>\$798,024</u>	<u>\$798,024</u>
ESTIMATED NET EFFECT ON CHEMICAL EMERGENCY PREPAREDNESS FUND	<u>\$665,020</u>	<u>\$798,024</u>	<u>\$798,024</u>

FISCAL IMPACT - State Government
 (Continued) FY 2013
(10 Mo.) FY 2014 FY 2015

WATER PATROL FUND

*Section 306.127 - Boating Safety
 Identification Card*

Income - Missouri Water Patrol

Sale of temporary boating safety identification cards to nonresidents	\$9,000	\$9,000	\$9,000
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Cost - Missouri Water Patrol

Cost of temporary boating safety identification cards	(\$300)	(\$300)	(\$300)
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ESTIMATED NET EFFECT TO THE WATER PATROL FUND	<u>\$8,700</u>	<u>\$8,700</u>	<u>\$8,700</u>
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SAFE DRINKING WATER FUND

*Section 640.100 - Extends the Safe
 Drinking Water Fee*

<u>Revenue</u> - Primacy Fees	<u>\$0 to \$3,833,333</u>	<u>\$0 to \$4,600,000</u>	<u>\$0 to \$4,600,000</u>
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ESTIMATED NET EFFECT ON SAFE DRINKING WATER FUND	<u>\$0 to \$3,833,333</u>	<u>\$0 to \$4,600,000</u>	<u>\$0 to \$4,600,000</u>
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<u>FISCAL IMPACT - Federal Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
FEDERAL FUND			
<i>Section 260.392 - Radioactive Waste Transport Fee</i>			
<u>Revenue Reduction</u> - Transport fee elimination	<u>(\$773)</u>	<u>(\$773)</u>	<u>(\$773)</u>
ESTIMATED NET EFFECT TO THE FEDERAL FUND	<u>(\$773)</u>	<u>(\$773)</u>	<u>(\$773)</u>
DRINKING WATER STATE REVOLVING FUND			
<i>Section 640.100 - Extends the Safe Drinking Water Fee</i>			
<u>Revenue</u> - Federal Capitalization Grants	<u>\$12,000,000 to \$18,000,000</u>	<u>\$12,000,000 to \$18,000,000</u>	<u>\$12,000,000 to \$18,000,000</u>
ESTIMATED NET EFFECT ON DRINKING WATER STATE REVOLVING FUND	<u>\$12,000,000 to \$18,000,000</u>	<u>\$12,000,000 to \$18,000,000</u>	<u>\$12,000,000 to \$18,000,000</u>
FISCAL IMPACT - Local Government			
	FY 2013 (10 Mo.)	FY 2014	FY 2015
<i>Sections 571.010, 571.020, 571.030, 571.101, 571.111, & 571.117 - Knives and Unlawful Use of a Weapon</i>			
COUNTIES			
<u>Income</u> - to the Sheriff's Revolving Fund for expanding the concealed carry permit	<u>Minimal</u>	<u>Minimal</u>	<u>Minimal</u>
ESTIMATED NET EFFECT ON COUNTIES	<u>Minimal</u>	<u>Minimal</u>	<u>Minimal</u>

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

Section 260.392 - Radioactive Waste Transport Fee

This proposal exempts all highway route controlled quantity shipments of radioactive materials from the fees for transporting radioactive waste. The act further provides that carriers transporting highway route controlled quantities of radioactive material that have been subject to federal inspection, and have passed federal inspection, shall not be subject to additional inspections. The Missouri Highway Patrol must establish procedures and fees to provide for reimbursement of state escort services provided for shipments of highway route controlled quantities of radioactive materials. Fees may not exceed \$500 per trip or \$2,000 per year. Revenue from the fees shall be credited to the Environmental Radiation Monitoring Fund, to be used by the Department of Natural Resources for related activities.

Current law requires fees for transporting radioactive waste to be paid before shipment; the act makes fees due after shipment.

Section 292.606 - Chemical Preparedness Fee

The collection of fees for hazardous waste in the workplace, which fund the Missouri Emergency Response Commission, is authorized until August 28, 2012. This bill extends the authorization until August 28, 2022.

FISCAL DESCRIPTION (Continued)

Section 306.127 - Boating Safety Identification Card

Any person or company that rents or sells vessels may issue temporary boating safety identification cards to nonresidents to operate rented vessels or vessels being considered for sale, for a period of up to 7 days, provided that the individual meets the minimum age requirements for operating a vessel in this state. In order to qualify for the temporary boating safety identification card, the applicant shall sign an affidavit that he or she has reviewed the Missouri State Highway Patrol Handbook of Missouri Boating Laws and Responsibilities. The Missouri State Highway Patrol shall charge a fee \$9 for the temporary boating safety identification card. The business entity renting the vessel shall be responsible for processing the temporary boating safety identification card and shall transmit the applicant's temporary boating safety identification card information electronically to the Missouri State Highway Patrol using an electronic online registration process developed and provided by the Highway Patrol.

Nonresidents shall not be eligible for more than one temporary boating safety identification card.

Sections 571.010, 571.020, 571.030, 571.101, 571.111, & 571.117 - Knives and Unlawful Use of a Weapon

This proposal lowers the age at which a person can obtain a concealed carry endorsement from 21 to 18 years of age if the person is a member of the United States Armed Forces, honorably discharged from the United States Armed Forces, a member of a military academy, or a member of the Reserve Officer's Training Corps.

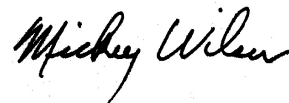
Section 640.100 - Extends the Safe Drinking Water Fee

This proposal extends, from September 1, 2012, to September 1, 2017, the authorization for the Department of Natural Resources to impose fees for the implementation, administration, and enforcement of the federal Safe Drinking Water Act.

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

Attorney General Office
Boone County Sheriff
Department of Conservation
Department of Health and Senior Services
Department of Labor and Industrial Relations
Department of Mental Health
Department of Natural Resources
Department of Public Safety – Division of Fire Safety
Department of Revenue
Department of Transportation
Harrison County Health Department
Joint Committee on Administrative Rules
Mid America Regional Council (MARC) Solid Waste Management District
Missouri Highway Patrol
Missouri Public Service Commission
Missouri State Emergency Management Agency
Office of Administration - Division of Budget and Planning
Office of Public Counsel
Office of Secretary of State
Office of State Courts Administrator
Office of the State Auditor
Region M Solid Waste Management District
St. Louis - Jefferson Solid Waste Management District
State Tax Commission
State Treasurer's Office



Mickey Wilson, CPA
Director
May 11, 2012