

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: HB 546
 (H) Publish Date: 3/25/04

Revision Date/Time (Note if correction): _____ Dept. Affected: Environmental Conservation
 Title An Act relating to regulation of timber- related RDU Air & Water Quality
discharges under NPDES Component Water Quality
 Sponsor Rules Committee
 Requester Governor Component No. 2062

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services	67.0	67.0	67.0	67.0	67.0	67.0
Travel	21.0	21.0	7.0	7.0	7.0	7.0
Contractual	300.9	300.9	56.0	56.0	56.0	56.0
Supplies	3.0	3.0	1.0	1.0	1.0	1.0
Equipment	20.7	4.5	1.5	1.5	1.5	1.5
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0
Grants & Claims	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	412.6	396.4	132.5	132.5	132.5	132.5

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGE IN REVENUES (1005)	0.0	0.0	30.0	30.0	30.0	30.0
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	235.0	235.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	177.6	161.4	102.5	102.5	102.5	102.5
1005 GF/Program Receipts	0.0	0.0	30.0	30.0	30.0	30.0
1037 GF/Mental Health	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	412.6	396.4	132.5	132.5	132.5	132.5

Estimate of any current year (FY2004) cost:

Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

POSITIONS

Full-time	1	1	1	1	1	1
Part-time	0	0	0	0	0	0
Temporary	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

This bill directs the Department of Environmental Conservation to seek authority from the U.S. Environmental Protection Agency (EPA) to implement the federal National Pollutant Discharge Elimination System (NPDES) wastewater discharge permitting program for timber-related activities. The Department projects a two-year (FY 2005 and FY 2006) effort to complete program development and transition work necessary to apply to EPA for NPDES primacy. With EPA approval, the Department would begin implementing the NPDES program for timber-related activities in FY 2007. The funds to support transition to primacy consist of General Funds and Federal Receipts. A total of \$470.0 in one-time federal grant funds are available to support program development work. The balance of the development and transition costs are General Funds. Upon implementing the program in FY 2007, the Department anticipates annual program receipts of \$30.0. (continued)

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 Date/Time: 3/9/2004

Approved by: Kurt Fredriksson, Deputy Commissioner
 Agency: Department of Environmental Conservation

Date: 3/9/2004

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ANALYSIS CONTINUATION

The FY 2005-2006 funds will provide the following services:

Personal Services - one permanent position to develop permit process regulations, conduct the rulemaking process, develop written permitting procedures, standardized program forms, and the NPDES primacy application to EPA. Development of the Log Transfer Facility general permit will begin in FY 2006.

Travel - program and regulations development, primacy application, and NPDES permit writing and compliance training for new and existing staff.

Contractual - two long term non-permanent positions to assist in developing written permitting procedures, standardized program forms, and the NPDES primacy application to EPA; professional services assistance; RSA to Dept. of Law for legal assistance with regulations development; and position support costs.

Supplies - standard office supplies.

Equipment - office furniture and computers for staff. The FY 2006 budget eliminates the funding for office equipment, which is a one-time purchase.

The Department anticipates NPDES primacy approval from EPA beginning in FY 2007 for timber industry related permitting. The fiscal note for FY 2007 and beyond reflects the ongoing costs of implementing the program and provides the following:

Personal Services - one permanent position to develop individual permits, general permits, issue authorizations under general permits, review dive survey reports, conduct inspections and take enforcement actions if necessary.

Travel - staff permitting and facility inspections (one inspection of each operating facility during the 5-year life of the permit); ongoing technical training; and occasional program development meetings.

Contractual - public notices; staff training; professional services contracts for assistance with NPDES permitting and compliance-related issues; RSA to Dept. of Law for enforcement actions and program legal assistance; and position support costs.

Supplies - standard office supplies and water quality sampling supplies.

Equipment - ongoing office equipment and computer replacement costs, environmental monitoring equipment purchase or replacement, and other facility inspection equipment (such as personal safety gear and cameras).

Projected impact on Alaska economy and local government

- eliminates the current patchwork of federal and state permits for the timber industry.

- increased permit and compliance fees for owners/operators of facilities with timber-related wastewater discharges.

Personal Services New Position Detail

Department of Environmental Conservation

Partial NPDES Primacy

Scenario: A Scenario for FY2005 Fiscal Notes (3605)

Component: Water Quality (2062)

RDU: Air and Water Quality (206)

PCN	Job Class Title	Time Status	Retire Code	Barg Unit	Location	Salary Sched	Range & Steps	Budgeted Months	Split / Annual Count	Annual Salary	COLA	Premium Pay	Annual Benefits	Total Costs
18-#028	Environmental Spec III	FT	A	GP	Juneau	2A	18 B	12.0		47,316	0	0	19,712	67,028
Justification: Implementation - NPDES Primacy for timber related discharges.							Funding Detail:							
							1004		General Fund Receipts				100.00%	67,028
Total Funding:												100.00%	67,028	

Component Summary:

Total New Positions: 1

Fund Description	Fund Percent	Fund Amount
1004 General Fund Receipts	100.00%	67,028
Total Funding:	100.00%	67,028

Note: If a position is split, an asterisk (*) will appear in the Split/Count column. If the split position is also counted in the component, two asterisks (**) will appear in this column.