

FISCAL NOTE

Bill #: SB0167

Title: Revise sanitation in subdivision laws

Primary Sponsor: Emily Stonington

Status: As Introduced

Sponsor signature	Date	Chuck Swysgood, Budget Director	Date
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Fiscal Summary

	<u>FY2002 Difference</u>	<u>FY2003 Difference</u>
Expenditures:		
State Special Revenue	204,000	204,000
Revenue:		
State Special Revenue	0	0
Net Impact on General Fund Balance:	0	0

<u>Yes</u>	<u>No</u>		<u>Yes</u>	<u>No</u>	
	X	Significant Local Gov. Impact		X	Technical Concerns
	X	Included in the Executive Budget		X	Significant Long-Term Impacts
	X	Dedicated Revenue Form Attached		X	Family Impact Form Attached

Fiscal Analysis

ASSUMPTIONS:

1. Number of contracted counties remains at 16.
2. Counties will increase reviews of non-public water and sewer systems by 50-60% through the contracting process. This means that since major applications are about one-half the total lots reviewed, the counties that contract for review could begin reviewing major applications and increase the reimbursements they receive. Historically, the program has reimbursed counties approximately 25% of the total program budget. The increased reviews would increase total reimbursements by approximately 20% each year. Total program budget used for this calculation is the DEQ proposal to the legislature: FY 2002-\$1,016,898 (20%=204,000) and FY2003-\$1,017,698 (20%=204,000).

3. The DEQ will retain its normal portion of fees paid to maintain the subdivision review program.
4. The total number of subdivisions is approximately 1500.
5. This bill will not directly increase fees or the number of subdivisions reviewed in total. DEQ will proceed with proposed rulemaking to increase fees to fund the additional payments to counties.

FISCAL IMPACT:

	<u>FY2002 Difference</u>	<u>FY2003 Difference</u>
<u>Expenditures:</u>		
Grants	204,000	204,000
<u>Funding:</u>		
State Special Revenue (02)	204,000	204,000
<u>Revenues:</u>		
State Special Revenue (02)	0	0
<u>Net Impact to Fund Balance (Revenue minus Expenditure):</u>		
State Special Revenue (02)	(204,000)	(204,000)

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

Current reimbursements to counties for subdivision reviews will increase due to a separate rulemaking by the DEQ. This bill would allow a further increase in revenue to counties for additional reviews, because the types of reviews performed by counties are proposed to change. The result is that counties, if they choose to contract for the new review level, could perform 70-80% of reviews. However, to do so, each county would need to decide whether or not to add staff with expertise (engineers and hydrologists) sufficient to perform the reviews. Also, counties have two ways to collect payment for reviews performed: 1) reimbursement from the state, and 2) instituting local fees. Each county could address their staffing and expense needs in a different manner.

LONG-RANGE IMPACTS:

If the counties continue to increase the number of subdivisions reviewed, the state would reassess its staffing needs and, possibly in the long term, decrease the state FTE. It would not be possible to totally reduce state staff who are currently dedicated to subdivision review, since the state continues to maintain the responsibility for local government rule review, technical assistance to counties, and promulgation of state standards, rules, and technical manuals used in the subdivision review process. As described above in impacts to counties, the counties may need to add staff and develop local fee structures.