



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2009 Biennium

Bill #	HB0401	Title:	Revise laws relating to water and wastewater treatment plant operators
Primary Sponsor:	Villa, Dan	Status:	As Introduced

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2008 Difference</u>	<u>FY 2009 Difference</u>	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>
Expenditures:				
State Special Revenue	\$20,000	\$3,400	\$3,400	\$3,400
Revenue:				
State Special Revenue	\$7,000	\$3,400	\$3,400	\$3,400
Net Impact-General Fund Balance	\$0	\$0	\$0	\$0

Description of Fiscal Impact:

The new certification category will increase revenue and expenses to the Operator Certification Section of the Department of Environmental Quality. After the initial program implementation, the renewal fees and new application fees will cover the department expense to maintain the certification category.

FISCAL ANALYSIS

Assumptions:

Department of Environmental Quality Council (DEQ)

1. The department will modify the supporting rules, 17.40.202 ARM, to provide certification categories for collection system certification.
2. The department will contract for the development of study materials and prescriptive tests for Montana operators. It will cost \$15,000 to produce the study materials and base information for the tests. It will cost \$5,000 to contract with a national certification authority (Association of Boards of Certification) to develop the exams and provide scoring (\$15,000 + \$5,000 = \$20,000).
3. It is estimated that each community system over 3,300 in population will apply to have one individual certified operator per system. The initial cost of the application and examination process is \$140. The department estimates that 20 operators will become certified voluntarily (20 x \$140 = \$2,800). There are

approximately 30 community systems that will be required to have a certified collection system operator in responsible charge (30 x \$140 = \$4,200). Total revenue for FY 2008 will be \$7,000 (\$2,800 + \$4,200).

4. In FY 2009, FY 2010, and FY 2011 revenue is estimated to include a \$40 annual renewal fee for existing operators and approximately 10 new application and examination fees of \$140 per year. Total revenue each fiscal year will be \$3,400 (50 operators; 30 required + 20 voluntary; x \$40 = \$2,000) + (10 new operators x \$140 = \$1,400).
5. The estimated 10 new operators generated from the new application and examination fee are expected to replace operators that retire and/or let their certifications lapse. Therefore, each fiscal year is expected to remain constant with 50 operators and 10 new applications.
6. The initial cost of implementing the new certification category will be funded by revenues generated from the applications and renewal fees received and from existing state special revenue funds.
7. After the initial program implementation, the renewal fees and new application fees (\$3,400 each fiscal year) will cover the department expense to maintain the certification category in FY 2009, FY 2010 and FY 2011.

	<u>FY 2008</u> <u>Difference</u>	<u>FY 2009</u> <u>Difference</u>	<u>FY 2010</u> <u>Difference</u>	<u>FY 2011</u> <u>Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Operating Expenses	\$20,000	\$3,400	\$3,400	\$3,400
<u>Funding of Expenditures:</u>				
State Special Revenue (02)	\$20,000	\$3,400	\$3,400	\$3,400
<u>Revenues:</u>				
State Special Revenue (02)	\$7,000	\$3,400	\$3,400	\$3,400
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
State Special Revenue (02)	(\$13,000)	\$0	\$0	\$0

Effect on County or Other Local Revenues or Expenditures:

1. Community wastewater systems over 3,300 in population will be required to have at least one collection system certified operator in responsible charge.
2. Community wastewater systems will be responsible for the initial application and examination fee, continuing education training, and an annual renewal fee for their operators.

Sponsor's Initials

Date

Budget Director's Initials

Date