



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2023 Biennium

**Bill #** HB0419

**Title:** Generally revise laws to create Superfund oversight committees

**Primary Sponsor:** Gunderson, Steve

**Status:** As Introduced

- Significant Local Gov Impact     
  Needs to be included in HB 2     
  Technical Concerns  
 Included in the Executive Budget     
  Significant Long-Term Impacts     
  Dedicated Revenue Form Attached

### FISCAL SUMMARY

	<u>FY 2022</u> <u>Difference</u>	<u>FY 2023</u> <u>Difference</u>	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>
<b>Expenditures:</b>				
General Fund	\$375,000	\$375,000	\$380,625	\$386,334
<b>Revenue:</b>				
General Fund	\$0	\$0	\$0	\$0
<b>Net Impact-General Fund Balance:</b>	<u>(\$375,000)</u>	<u>(\$375,000)</u>	<u>(\$380,625)</u>	<u>(\$386,334)</u>

### Description of fiscal impact:

The primary purpose of the bill is to allow for the creation of superfund oversight committees (SOC). The SOC will have decision making and approval authority over the state's federally delegated role and activities at the National Priority List (superfund) site that is the focus of the SOC. The creation of SOCs will require the use of general fund.

### FISCAL ANALYSIS

#### Assumptions:

#### **Department of Environmental Quality (DEQ)**

1. The Environmental Protection Agency (EPA) will not fund duplicate efforts through the grants currently in place. By way of example, the EPA already funds technical assistance grants and/or community assistance grants to ensure local participation at superfund sites. Federal funding for new committees beyond those already funded by EPA will not be available to fund the SOCs contemplated in HB 419.
2. HB 419 will result in the creation of six community committees encompassing 19 sites with 5 committee members per committee. The assumed county area committees include Missoula County, Cascade County, Yellowstone County, Butte-Silver Bow County, Anaconda-Deer Lodge County, and Gallatin County.
3. DEQ estimates each committee will have an annual cost of \$62,500. Annual costs include \$25,000 for DEQ personnel services staff time to prepare for and attend committee meetings, \$25,000 for activities to provide

support and engagement with the committee (DEQ contracts with Lincoln County for the Libby Asbestos Superfund Oversight Committee), \$5,000 for committee member travel expenses and \$50 daily compensation per committee member, and \$7,500 for DEQ operating expenses for a total annual estimated cost of \$375,000 in FY 2022 and FY 2023. Inflation of 1.5% is estimated for FY 2024 and FY 2025 for a total of \$380,625 and \$386,334, respectively.

	<u>FY 2022</u> <u>Difference</u>	<u>FY 2023</u> <u>Difference</u>	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>
<b><u>Fiscal Impact:</u></b>				
<b><u>Expenditures:</u></b>				
Personal Services	\$150,000	\$150,000	\$152,250	\$154,534
Operating Expenses	\$225,000	\$225,000	\$228,375	\$231,800
<b>TOTAL Expenditures</b>	<b>\$375,000</b>	<b>\$375,000</b>	<b>\$380,625</b>	<b>\$386,334</b>
<b><u>Funding of Expenditures:</u></b>				
General Fund (01)	\$375,000	\$375,000	\$380,625	\$386,334
<b>TOTAL Funding of Exp.</b>	<b>\$375,000</b>	<b>\$375,000</b>	<b>\$380,625</b>	<b>\$386,334</b>
<b><u>Revenues:</u></b>				
General Fund (01)	\$0	\$0	\$0	\$0
<b>TOTAL Revenues</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b><u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u></b>				
General Fund (01)	(\$375,000)	(\$375,000)	(\$380,625)	(\$386,334)

**Technical Notes:**

1. Bill Section 1 (5): “A superfund oversight committee is attached to the department of environmental quality for administrative purposes only pursuant to 2-15-121.” Without this legislation, the Libby Asbestos Site Oversight Committee was already attached to DEQ for administrative purposes only and was given the authority to provide recommendations to DEQ regarding related work. The purposes outlined in New Section 3(4) and amendments to 75-10-1601(3), MCA, conflict with the intended scope of authorities authorized by 2-15-121, MCA. In essence, the SOC would have approval authority over any aspect of the executive branch function of the DEQ as it relates to the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) sites.
2. This bill does not comply with federal legal requirements for shifting CERCLA/Superfund responsibilities to different entities or engaging the community. CERCLA already provides an avenue for recognized political subdivisions to take on lead-agency responsibilities. See 40 C.F.R. §35.6115 (addressing political subdivision-lead remedial Cooperative Agreements) and 42 U.S.C. § 9621(f)(1) (allowing for state involvement in the federal CERCLA remedial action process, the specifics of which are typically determined through an SSC).

**NOT SIGNED BY SPONSOR**

Sponsor's Initials

2/23/21  
Date

KA  
Budget Director's Initials

2/19/21  
Date