

**NORTH CAROLINA GENERAL ASSEMBLY**

**LEGISLATIVE FISCAL NOTE**

**BILL NUMBER:** SB 945 (3<sup>rd</sup> Edition)

**SHORT TITLE:** Air Quality Permits

**SPONSOR(S):** Senator Hoyle

	<b>FISCAL IMPACT</b>				
	<b>Yes (X)</b>	<b>No ( )</b>	<b>No Estimate Available ( )</b>		
	<b><u>FY 2003-04</u></b>	<b><u>FY 2004-05</u></b>	<b><u>FY 2005-06</u></b>	<b><u>FY 2006-07</u></b>	<b><u>FY 2007-08</u></b>
<b>REVENUES:</b>					
DAQ: Non-Title V Air Permit Receipts	\$80,000*	\$80,000*	\$80,000*	\$80,000*	\$80,000*
<b>GENERAL FUND EXPENDITURES:</b>					
DENR	No impact expected.				
<b>POSITIONS:</b>	No additional positions required.				
<b>PRINCIPAL DEPARTMENT(S) &amp; PROGRAM(S) AFFECTED:</b> Department of Environment and Natural Resources (DENR); DENR – Division of Air Quality (DAQ); Environmental Management Commission					
<b>EFFECTIVE DATE:</b> The bill is effective when it becomes law and applies to construction of any new facility and construction associated with the modification of a permit for an existing facility that commences on or after that date.					
<i>*Maximum amount of fee revenue generated.</i>					

**BILL SUMMARY:** The bill specifies activities that may be undertaken prior to securing an air quality permit required under GS 143-215.108. It also requires a permittee to provide published notice of intent to alter or expand physical arrangement or operation of permitted facilities at least 15 days prior to that action and specifies contents of notice. A permittee who submits a notice of intent must pay a \$200 fee. The bill specifies criteria for the Environmental Management Commission to consider in review of such notices of intent and requires the Commission to notify the permittee within 15 days of its determination as to whether the criteria have been met and whether or not the proposed alteration or expansion can commence. This version also deletes provisions of the bill regarding departmental studies regarding permit processing times and Environmental Policy Act implementation.

**ASSUMPTIONS AND METHODOLOGY:** Section 3 of this bill requires the owner/applicant of a permitted facility submitting a “notice of intent” to pay a permit fee of \$200 for each notice. The Division of Air Quality (DAQ) cannot easily estimate the number of notices of intent that will be submitted under Section 3 of the bill. The Division normally makes 300 to 400 air quality permit modification decisions per year. Thus, the maximum number of persons utilizing the notice of intent powers of SB 945 is 400 with resulting revenues of \$80,000. However, the Division believes only a few notices will be issued because the majority of applicants will want to obtain their permits before doing any construction. The Division estimates only a few thousand dollars in fees from this new notice. DAQ is completely receipt-supported. *Likewise, this fee revenue will go into the Division's Non-Title V Permit Fee Special Fund, not the General Fund.*

**SOURCES OF DATA:** Department of Environment and Natural Resources; Division of Air Quality

**FISCAL RESEARCH DIVISION: (919) 733-4910**

**PREPARED BY:** Jennifer Haygood

**APPROVED BY:** James D. Johnson, Director, Fiscal Research Division

**DATE:** June 26, 2003



**Signed Copy Located in the NCGA Principal Clerk's Offices**