

**FINAL  
FISCAL NOTE**

**Drafting Number:** LLS 10-0602  
**Prime Sponsor(s):** Rep. Peniston  
 Sen. Hodge

**Date:** June 22, 2010  
**Bill Status:** Signed into Law  
**Fiscal Analyst:** Sara McPhee (303-866-4782)

**TITLE:** CONCERNING ADMINISTRATION OF THE STATIONARY SOURCES AIR QUALITY PERMITTING PROGRAM.

<b>Fiscal Impact Summary</b>	<b>FY 2010-2011</b>	<b>FY 2011-2012</b>
<b>State Revenue</b> General Fund	\$7,000	\$7,500
<b>State Expenditures</b>		
<b>FTE Position Change</b>		
<b>Effective Date:</b> The Governor signed the bill into law on May 6, 2010, and unless a referendum petition is filed, the bill will take effect September 1, 2010.		
<b>Appropriation Summary for FY 2010-2011:</b> None required.		
<b>Local Government Impact:</b> None.		

**Summary of Legislation**

The bill makes several changes to the Air Quality Control Program. Currently, a member of the air pollution control division is required to review and approve all invoices for any permit which required five or more hours of staff time to process. In lieu of this review process, the bill requires the Air Quality Control Commission to report permit information on stationary industrial sources of pollution in its annual report to the public.

The bill also makes technical changes to align with current practice. It makes explicit an exemption from permitting allowed under the federal Clean Air Act of 1990. It changes the notification requirements for construction permits. Under the bill, entities with a construction permit must notify the department within 15 days of beginning construction activity, rather than 30 days prior to beginning construction activity. It also increases the penalty for open burning from \$100 to up to \$500 per day for the first violation. The penalty for a second violation is up to \$1,000 per day and the penalty for a third or subsequent violation is up to \$1,500 per day.

**State Revenue**

This bill increases General Fund revenue by about \$7,000 in FY 2010-11 and \$7,500 in FY 2011-12. The penalty for open burning without a permit is \$500 to \$1,500 depending upon whether it is the first, second, or third offense. The DPHE levies an average of 8 fines each year for violations of the open burning regulations. The fiscal note assumes that in FY 2010-11, the DPHE will assess 8 fines of \$500 for first offenses and 3 fines of \$1,000 for second offenses. In FY 2011-12, it is estimated that the DPHE will assess 3 fines of \$500 for first offenses, 3 fines of \$1,000 for second offenses, and 2 fines of \$1,500 for third or subsequent offenses.

**Departments Contacted**

Public Health and Environment