

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 125** HLS 19RS 335
 Bill Text Version: **ENROLLED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: May 29, 2019 1:31 PM **Author:** LYONS
Dept./Agy.: Environmental Quality **Analyst:** David Neef
Subject: Relative to civil penalty for citations

ENVIRONMENT/ENFORCEMENT EN INCREASE SD RV See Note Page 1 of 1
 Provides for the maximum civil penalty for citations issued through the expedited enforcement program

Present law authorizes the secretary to expedite enforcement for minor or moderate violations that result in the maximum penalty of \$1,500 per violation or an aggregate total of \$5,000 per violator with respect to certain environmental violations. Proposed law increases the maximum penalty from \$1,500 per violation to \$3,000 per violation or an aggregate total from \$3,000 per violator to \$5,000 per violator.

EXPENDITURES	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>5 -YEAR TOTAL</u>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>5 -YEAR TOTAL</u>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total						

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure. DEQ is not expected to have any additional work resulting from this legislation. The Department of Justice (DOJ), which represents DEQ in the event of civil actions, has determined any potential increase in legal work can be absorbed with existing staff and resources.

REVENUE EXPLANATION

There will likely be an increase in revenues to the extent that violations are assessed and given the maximum penalty. Revenues will continue to go into the statutorily dedicated Hazardous Waste Site Cleanup Fund.

DEQ indicated that some facilities who are penalized through the expedited penalty program have numerous violations that exceed the current \$3,000 maximum. In these situations, additional revenues may be collected if facilities accrue enough violations to reach the \$5,000 maximum proposed in this measure. In addition, this measure will assist the department in expanding its expedited penalty program. The expansion of the program could free up agency resources and allow DEQ to penalize more violators in a more expeditious manner and allow staff to devote more time to larger, more complex cases.

Expedited penalty collections were \$254,195 in FY 17 and \$197,309 in FY 18.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Evan Brasseaux

Evan Brasseaux
Staff Director