

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **HB 590** HLS 15RS 1192  
 Bill Text Version: **ORIGINAL**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.:

<b>Date:</b> May 12, 2015 4:13 PM	<b>Author:</b> COX
<b>Dept./Agy.:</b> Environmental Quality	<b>Analyst:</b> Charley Rome
<b>Subject:</b> Requires Fence-Line Air Monitoring Systems	

ENVIRONMENT/AIR OR +\$314,000 GF EX See Note Page 1 of 2  
 Requires fence-line air monitoring systems at certain facilities

Proposed law requires a facility to obtain an operating permit in accordance with federal law to implement a fence-line air monitoring system in accordance with a plan approved by the Louisiana Department of Environmental Quality (LDEQ). The bill defines a "fence-line air monitoring system" as equipment that measures and records air pollutant concentrations along the property boundary of a facility to detect an exceedance of air quality standards or a threat to public health. Requires that the system include a weather station, real-time data collection, the ability to publish real-time data, back-up power systems, and utilizes spectroscopy. Proposed law requires that the owner or operator for each existing facility submit to LDEQ by July 1, 2017, a detailed plan for establishing and operating a fence-line air monitoring systems based on rules and regulations promulgated pursuant to the proposed law. Further requires the plan to be updated within one year of the department promulgating any revised rules and regulations. **(Bill Summary Continued on Page Two)**

<b>EXPENDITURES</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$310,700	\$482,100	\$5,178,800	\$3,545,200	\$6,715,600	<b>\$16,232,400</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
<b>Annual Total</b>	<b>\$310,700</b>	<b>\$482,100</b>	<b>\$5,178,800</b>	<b>\$3,545,200</b>	<b>\$6,715,600</b>	<b>\$16,232,400</b>

<b>REVENUES</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPENDITURE EXPLANATION**

State general fund expenditures will increase by the following estimated amounts per fiscal year due to the proposed legislation: FY16 \$310,700, FY17 \$482,100, FY18 \$5,178,800, FY19 \$3,545,200, and FY20 \$6,715,600. The Louisiana Department of Environmental Quality (LDEQ) will have to do the following to meet the bill's requirements: develop and promulgate regulations, develop and maintain a website to collect data from the sources, review and approve monitoring plans from 510 Title V sources statewide, conduct annual report reviews from the 510 Title V sources and conduct responses and inspections of the monitors, conduct annual auditing by a third party to ensure that monitors are working and reporting properly, and conduct reviews of the program every five years. The funding source for these costs is assumed to be state general fund because the bill does not identify a funding source to meet the bill's requirements.

**FY16 Costs** - 6 months funding for salaries and related benefits (\$172,600) for three senior positions to develop rules and initially set up the program , Operating Services (\$1,500), and Other Charges (\$136,600) mostly to develop a website.  
**FY17 Costs** - Full year funding for salaries and related benefits (\$345,200) for three senior positions hired in FY16, Operating Services (\$300), and Other Charges (\$136,600) mostly to continue developing a website from FY16. **FY18 Costs** On-going funding for three senior positions (\$345,200), funding for salaries and related benefits (\$1,215,200) for 24 Environmental Scientists to review and approve monitoring plans, funding for a Staff Engineer 5 and two Environmental Scientist Supervisors to oversee other environmental scientists (\$306,100), funding for salaries and related benefits (\$1,974,100) for 72 temporary Environmental Scientists to review and approve monitoring plans, operating services (\$110,600) primarily for publications and mailings, other charges (\$533,100) for employee office space/data lines/telephone lines/computers/Office of Telecommunications costs, and equipment (\$694,500) including 9 vehicles and 2 boats. **FY19 Costs** - On-going funding for three senior positions (\$345,200), on-going funding for salaries and related benefits (\$1,215,200) for 24 Environmental Scientists retained to conduct annual report reviews from and estimated 6,120 reporting monitoring stations statewide, on-going funding for a Staff Engineer 5 and two Environmental Scientist Supervisors to oversee other environmental scientists (\$306,100), funding for salaries and related benefits (\$1,215,200) for 24 Environmental Scientists to respond to a significant number of anticipated public complaints related to emissions/warnings from an estimated 6,120 monitors statewide, **(Expenditure Summary Continued on Page Two)**

**REVENUE EXPLANATION**

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate Dual Referral Rules House  6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}  
 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}  6.8(F)(2) >= \$500,000 Rev. Red. to State {H & S} *Evan Brasseaux*  
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}  6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} **Evan Brasseaux**  
**Staff Director**

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CONTINUED EXPLANATION from page one:

(Bill Summary Continued from Page One)

The bill requires the owner or operator to obtain approval of a fence-line air monitoring plan from the department prior to approval of any application for construction or a major modification of a facility after July 1, 2017. Proposed law requires, on or before July 1, 2016, the department to promulgate, in accordance with the Administrative Procedure Act, rules and regulations providing for criteria used to review proposed fence-line air monitoring systems. The bill requires these criteria to include technical specifications, the chemicals monitored, location of equipment, and implementation of a community air monitoring system and requires the criteria to be updated by the department every five years from the initial promulgation. Proposed law provides for a procedure for submitting a plan by the owner or operator and consideration of approval by the department. The procedure includes notices to the owner or operator of plan deficiencies and of approval or disapproval, notice to the public, and a public comment and inspection period. The bill authorizes the facility owner or operator to designate as confidential any information claimed to be exempt from public disclosure in accordance with the department's rules and regulations and requires such claims to be accompanied by a justification for this designation and submission of a separate copy of the document with the information designated confidential redacted. Proposed law requires within one year of the approval of a fence-line air monitoring plan the installation and operation of a fence-line air monitoring system in accordance with the plan. The bill requires the owner or operator to report the collected data to the department on an annual basis beginning one year from the date of approval of the plan and shall maintain records for a period of five years. Proposed law requires, by July 1, 2017, the department to develop and implement a system to monitor the real-time data submitted from fence-line air monitoring systems, so as to respond timely when a fence-line air monitoring system that indicates there is an exceedance of air quality standards or public health threat.

(Expenditure Summary Continued from Page One)

operating services (\$40,100) primarily for publications and mailings, and other charges (\$423,500) for employee office space/data lines/telephone lines/computers/Office of Telecommunications costs. **FY20 Costs** - On-going funding for three senior positions (\$345,200), on-going funding for salaries and related benefits (\$1,215,200) for 24 Environmental Scientists conducting annual report reviews monitoring stations statewide, on-going funding for a Staff Engineer 5 and two Environmental Scientist Supervisors to oversee other environmental scientists (\$306,100), on-going funding for salaries and related benefits (\$1,215,200) for 24 Environmental Scientists to respond to public complaints related to emissions/warnings from monitors statewide, operating services (\$5,400), other charges (\$293,100) for employee office space/data lines/telephone lines/computers/Office of Telecommunications costs, and professional services (\$3,335,400) to audit an estimated 6,120 air monitors each year at a cost of \$545 per monitor (6,120 monitors X \$545 per monitor = \$3,335,400).

Senate Dual Referral Rules House  6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}  6.8(F)(2) >= \$500,000 Rev. Red. to State {H & S}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}  6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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