

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**HB 1473 - SB 1288**

March 25, 2011

**SUMMARY OF BILL:** Establishes rock harvesting regulations under the Water Quality Control Act. Adds definitions relative to rock harvesting. Defines requirements for applications related to rock harvesting permits. Authorizes the Department of Environment and Conservation to issue a stop work order under certain conditions. Authorizes an operator to enter into an agreement with a surface owner to remove certain minerals without being subject to certain permit requirements. Defines rules and regulations for exploratory operations, including permits for operations.

**ESTIMATED FISCAL IMPACT:**

**Increase State Revenue – \$40,000/Environmental Protection Fund**

**Increase State Expenditures – \$5,400/One-Time/General Fund**

**\$5,400/One-Time/Environmental Protection Fund**

**\$100,400/Recurring/General Fund**

**\$100,400/Recurring/Environmental Protection Fund**

**Assumptions:**

- According to the Department of Environment and Conservation (TDEC), additional permit fee revenue will be generated from new classes of rock harvesting permits. Due to unknown factors, the precise amount of revenue cannot be determined; based on existing data, TDEC estimates the revenue will be between \$40,000 and \$50,000.
- According to TDEC, three additional staff will be required to process applications, perform inspections, draft and promulgate regulations, and perform various clerical works.
- The total recurring increase in state expenditures will be \$200,718 (\$120,301 salaries + \$43,917 benefits + \$36,500 operational) for three additional positions.
- The one-time increase in state expenditures for these three positions will be \$10,800.
- Expenditures in the Division of Water Pollution Control are paid 50 percent by the Environmental Protection Fund (EPF) and 50 percent by the General Fund.
- The one-time increase in state expenditures will be \$5,400 from the EPF and \$5,400 from the General Fund.
- The recurring increase in state expenditures will be \$100,359 from the EPF and \$100,359 from the General Fund.

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**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "James W. White". The signature is written in a cursive style with a large initial "J" and "W".

James W. White, Executive Director

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