

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 2119 - HB 2892

March 1, 2020

SUMMARY OF BILL: Requires the Department of Environment and Conservation (TDEC) to, within 30 days of receipt of a complete permit application, unless a shorter period is required by another law, issue the permit or deny the application. Establishes that any failure of the TDEC to issue the permit or deny the application automatically deems the application approved and the Department is required to issue the permit.

The reduced time in which the following permits must be issued by the TDEC upon receipt of application:

- From 90 days to 30 days, or a 60 day reduction for aquatic resource alteration permits (ARAPs);
- From 365 days to 30, or a 335 day reduction for a new or modified national pollutant discharge elimination systems (NPDES) permit;
- From 180 days to 30 days, or a 150 day reduction for reissuance of a NPDES permit.

Establishes that such limits do not apply to permits and approvals issued under the following Acts: the Tennessee Solid Waste Disposal Act, the Solid Waste Management Act of 1991, the Tennessee Hazardous Waste Management Act of 1977, the Hazardous Waste Management Act of 1983, and the Sanitary Landfill Areas Act.

ESTIMATED FISCAL IMPACT:

Decrease State Revenue –

**Exceeds \$10,000,000/FY20-21 and Subsequent Years/
Environmental Protection Fund**

**Increase State Expenditures – Exceeds \$4,000,000/FY20-21 and Subsequent Years/
General Fund**

**Decrease State Expenditures – Exceeds \$10,000,000/FY20-21 and Subsequent Years
Environmental Protection Fund**

Decrease Federal Expenditures – Exceeds \$10,000,000

Assumptions:

- This legislation will become effective upon becoming law.
- Currently, when the TDEC fails to grant or deny an application for a permit, the Department is required to refund the permit processing fee to the permit applicant.
- This legislation will automatically grant the applicant a permit if the TDEC fails to respond in the appropriate time limit.
- Based on information provided by the TDEC, this legislation will likely result in the following: a substantial increase in staffing to meet the expedited permit process and a federal takeover of many programs.
- Based on information provided by the TDEC, this legislation will likely result in TDEC failing to meet current requirements of the Environmental Protection Agency (EPA); therefore, losing primacy on many regulatory programs which will result in a recurring decrease in federal funding estimated to exceed \$10,000,000 beginning in FY20-21.
- A recurring decrease in state revenue estimated to exceed \$10,000,000 from the Environmental Protection Fund beginning in FY20-21.
- The loss in federal funding will result in a recurring decrease in state expenditures estimated to exceed \$10,000,000 from the Environmental Protection Fund beginning in FY20-21.
- TDEC will need additional staff to comply with this legislation.
- TDEC cannot currently provide an exact number for the amount of additional staff that would be required to comply with this legislation.
- It is assumed that additional positions, including salary, benefits and other recurring expenditures, as well as non-recurring costs will reasonably exceed \$4,000,000 in FY20-21 and subsequent years to the General Fund.

CERTIFICATION:

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



Krista Lee Carsner, Executive Director

/jdb