

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6148
BILL NUMBER: SB 65

DATE PREPARED: Feb 18, 1999
BILL AMENDED: Feb 15, 1999

SUBJECT: Air permits.

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FUNDS AFFECTED: **GENERAL**
 DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: (Amended) (1) This bill provides new deadlines for a person to file an appeal of the decision of the Commissioner of the Department of Environmental Management (IDEM) in issuing an initial permit under the operating permit program.

(2) It prohibits the Commissioner of IDEM or a designated staff member from applying construction permit requirements, control technology requirements, or new source review requirements solely because of a change in an emission factor.

Effective Date: July 1, 1999.

Explanation of State Expenditures: (Revised) (1) This bill provides new deadlines for a person to file an appeal of a decision of the Commissioner of the Indiana Department of Environmental Management (IDEM) in issuing an initial Title V air permit. IDEM will have issued approximately 500 Title V permits before July 1, 1999.

This will require IDEM to send out corrected notices of decision regarding each of the 500 Title V permits to an estimated 5,000 individuals (both permit applicants and interested parties). IDEM estimates that it will need to hire temporary administrative staff to handle the preparation, mailing, and tracking duties associated with the renotifications.

The database that tracks the permits would need to be reprogrammed by a database specialist to include a new field for renotification information. IDEM estimates that the reprogramming could cost \$8,000 (80 hours x \$100 per hour). There will also be additional costs for duplicating and mailing the renotifications to the estimated 5,000 individuals.

The extra time for a person to file an appeal of a permit decision may result in additional appeals. IDEM

estimates that an additional 2% of the 500 permit decisions could be appealed. This would increase the workload of attorneys with IDEM and the Office of Environmental Adjudication.

The funds and resources required above could be supplied through a variety of sources, including the following: (1) Existing staff and resources not currently being used to capacity; (2) Existing staff and resources currently being used in another program; (3) Funds that, otherwise, would be reverted; or (4) New appropriations. As of January 1999, IDEM had 243 vacant positions. Approximately \$960,000 was reverted to the state General Fund in FY 98. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend upon legislative and administrative actions.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Indiana Department of Environmental Management; Office of Environmental Adjudication.

Local Agencies Affected:

Information Sources: Erika Seydel Cheney, Indiana Department of Environmental Management, 232-8598.