

SENATE APPROPRIATIONS COMMITTEE

FISCAL NOTE

BILL NO. Senate Bill 1250

PRINTER'S NO. 1996

AMOUNT

\$500,000
Annual Revenue Reduction

FUND

Clean Air Fund

DATE INTRODUCED

February 26, 2010

PRIME SPONSOR

Senator Pileggi

HISTORY OF BILL

Referred to ENVIRONMENTAL RESOURCES AND ENERGY, Feb. 26, 2010

Reported as committed, March 9, 2010

First consideration, March 9, 2010

Re-referred to APPROPRIATIONS, March 17, 2010

Re-reported as amended, May 24, 2010

DESCRIPTION AND PURPOSE OF BILL

Senate Bill 1250 amends the Air Pollution Control Act to require 25% of any fines or civil penalties imposed and collected under the Act to be paid to the municipality in which the incident occurred. The bill also authorizes the Department of Environmental Protection (DEP) to award an amount greater than 25% to the municipality.

Amendment A06872 establishes criteria which must be met for the return of 25% of the fines and penalties collected by DEP under the Air Pollution Control Act. The return of 25% of the fines and penalties to the municipalities is only applicable 1) for fines or penalties equal to or greater than \$50,000; 2) when the balance in the Clean Air Fund into which these fines and penalties are deposited, is greater than \$1,850,000 in the previous year from when the reimbursement would occur; 3) when the Department approves the municipalities' environmental projects which would be funded by the reimbursement; and 4) when the federal Environmental Protection Agency (EPA) is not party to the prosecution of the violation. The amendment also defines an eligible environmental project as one that eliminates or reduces air pollution, provides funding for parks, recreation projects, trails or open spaces.

The bill would be effective in 60 days.

5/24/2010

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FISCAL IMPACT:

Fines and penalties imposed under the Act are deposited into the Clean Air Fund. The Department of Environmental Protection estimates projected revenue of about \$2 million per fiscal year from fines and penalties. According to DEP, in most cases, the criteria in Amendment A06872 would be met and the 25% reimbursement could occur. Therefore, the estimated revenue reduction to the Clean Air Fund is about \$500,000 annually. The Department does not anticipate any increased costs to implement the provisions in the bill or the amendment.