

**NORTH CAROLINA GENERAL ASSEMBLY**

**LEGISLATIVE FISCAL NOTE**

**BILL NUMBER:** Senate Bill 1049 Neuse River Buffer Amendments (Second Edition)

**SHORT TITLE:** Neuse River Buffer Amendments (Second Edition)

**SPONSOR(S):** Senator Albertson

						<b>FISCAL IMPACT</b>						
<b>Riparian Buffer Restoration Fund</b>	<b>Yes ( )</b>	<b>No ( )</b>	<b><u>No Estimate Available (x)</u></b>									
<b>General Fund</b>	<b><u>Yes (x)</u></b>	<b>No ( )</b>	<b>No Estimate Available ( )</b>									
<b>Local Funds</b>	<b>Yes ( )</b>	<b>No ( )</b>	<b><u>No Estimate Available (x)</u></b>									
						<b><u>FY 1999-00</u></b>	<b><u>FY 2000-01</u></b>	<b><u>FY 2001-02</u></b>	<b><u>FY 2002-03</u></b>	<b><u>FY 2003-04</u></b>		
<b>REVENUES</b>												
Riparian Buffer Restoration Fund												No Estimate Available
<b>EXPENDITURES</b>												
General Fund	\$56,964	\$55,871	\$57,288	\$58,838	\$60,577							
Local Funds												No Estimate Available
<b>POSITIONS:</b>	1.00	1.00	1.00	1.00	1.00							
<b>PRINCIPAL DEPARTMENT(S) &amp; PROGRAM(S) AFFECTED:</b>												
Department of Environment and Natural Resources, Division of Water Quality; Environmental Management Commission; Local Government Units												
<b>EFFECTIVE DATE:</b> When the act becomes law.												

**BILL SUMMARY:**

The 2<sup>nd</sup> Edition codifies the Riparian Buffer Protection Program, including alternatives to riparian buffers, compensatory mitigation fees and delegation of protection authority to local units of government.

## ASSUMPTIONS AND METHODOLOGY:

### RIPARIAN RESTORATION FUND

The Environmental Management Commission (EMC) is responsible for developing a compensatory mitigation fee schedule to provide an alternative to maintaining riparian buffers. Payment of a fee into the Riparian Buffer Restoration Fund is an option available to persons demonstrating that there is no practical alternative to destroying a buffer. **Revenues to be credited to the fund cannot be estimated until the EMC adopts a fee schedule.** The bill does not establish a minimum nor maximum fee amount, but requires the fee schedule to be commensurate with the cost of providing equivalent or greater water quality than the area impacted. Moneys credited to the Riparian Buffer Restoration Fund may be used to restore, acquire, create, enhance and maintain riparian buffers. In addition, the fund may be used to construct approved alternatives that provide equal or improved water quality protection.

### ADMINISTRATION OF THE RIPARIAN BUFFER PROTECTION PROGRAM

The Department of Environment and Natural Resources (DENR) is responsible for administering the Riparian Buffer Protection Program. The program is similar in nature to the state's Wetlands Restoration Program. Based on their experiences in administering and implementing the wetlands program the department anticipates requiring one additional staff person to administer the Riparian Buffer Protection Program. The riparian buffer program will be housed within the Wetlands Restoration Program to achieve administrative efficiencies and limit the need for additional staff.

The requirements for the additional position and associated operating costs are outlined in the following table:

	FY 1999-00	FY 2000-01	FY 2001-02	FY 2002-03	FY 2003-04
Personnel					
Environmental Specialist III	40,814	42,221	43,638	45,188	46,927
Total Salaries & Benefits *	797,870	42,221	43,638	45,188	46,927
Positions	1.00	1.00	1.00	1.00	1.00
Operating Expenses	16,150	13,650	13,650	13,650	13,650
<b>Total Requirements</b>	<b>\$814,020</b>	<b>\$55,871</b>	<b>\$57,288</b>	<b>\$58,838</b>	<b>\$60,577</b>

\* Salaries adjusted for inflation based on January 1999 forecasts by Data Resources Inc, as provided by the Office of State Budget and Management.

In addition to requiring DENR to provide technical assistance to local governments applying for enforcement authority, the bill requires the department to provide training in stream identification. The bill allows the department to charge a fee to cover the full cost of this training program.

DELEGATION OF RIPARIAN BUFFER REQUIREMENTS TO LOCAL GOVERNMENTS

The bill allows the EMC to delegate implementation and enforcement responsibilities of the state's riparian buffer requirements to units of local government with the authority to regulate land use. Local government units are not required to participate, but may apply for delegation of enforcement authority.

**Local government units choosing to apply may incur costs associated with administering the riparian buffer protection requirement. Such expenditures are likely to vary depending on the number of projects within the local unit's jurisdiction and current staff and resources.**

**TECHNICAL CONSIDERATIONS:** none

**FISCAL RESEARCH DIVISION 733-4910**

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**DATE:** Monday, May 17, 1999



**Signed Copy Located in the NCGA Principal Clerk's Offices**