

**NORTH CAROLINA GENERAL ASSEMBLY
LEGISLATIVE FISCAL NOTE**

BILL NUMBER: Senate Bill 1314/House Bill 1339

SHORT TITLE: Nitrogen Reduction Goal

SPONSOR(S): Senators Horton, Odom, Plexico, Blackmon and Cooper; Representative Mitchell

FISCAL IMPACT: Expenditures: Increase () Decrease ()
Revenues: Increase () Decrease ()
No Impact (X)
No Estimate Available ()

FUNDS AFFECTED: General Fund () Highway Fund () Local Fund ()
Other Fund ()

BILL SUMMARY: Establishes a goal to reduce the average load of nitrogen delivered to the Neuse River Estuary from point and nonpoint sources by 30 percent of the average annual load for the period 1991 through 1995 by the year 2001. Requires the Environmental Management Commission to develop a plan to achieve this goal, to publish the proposed plan in the NC Register by November 1, 1996 and to adopt the plan as provided in Article 2A of Chapter 150B (Administrative Procedures Act) of the General Statutes. Also requires the Environmental Management Commission to report annually to the Environmental Review Commission on its progress in developing, adopting and implementing the plan.

EFFECTIVE DATE: Upon Ratification

PRINCIPAL DEPARTMENT(S)/PROGRAM(S) AFFECTED: Department of Environment, Health, and Natural Resources; Environmental Review Commission

FISCAL IMPACT

	<u>FY</u>	<u>FY</u>	<u>FY</u>	<u>FY</u>	<u>FY</u>
	1996-97	1997-98	1998-99	1999-00	2000-01
EXPENDITURES					
RECURRING					
NON-RECURRING					
REVENUES/RECEIPTS					
RECURRING					
NON-RECURRING					

No Fiscal Impact

POSITIONS:

ASSUMPTIONS AND METHODOLOGY: As written, the bill requires only that a goal be established. It does not mandate specific action other than the development and adoption of a plan to achieve the nitrogen reduction goal. The Environmental Management Commission (EMC) is currently in the process of developing a proposed Neuse River Nutrient Sensitive Waters (NSW) rule

for public hearing in accordance with the Administrative Procedures Act. The EMC anticipates the public hearings to be scheduled for September 1996 and expects to adopt the measure in November 1996. The current Neuse River NSW Draft Interim Plan proposes to reduce nitrogen loading by 30 percent. To achieve the desired nutrient load reductions the plan proposes mandatory and voluntary measures to reduce both point and nonpoint sources of pollution. In accordance with the Administrative Procedures Act, the Department of Environment, Health, and Natural Resources is responsible for preparing a fiscal note to address the impact of the proposed rule changes to state or local governments.

SOURCES OF DATA: Department of Environment, Health, and Natural Resources; Draft Interim Plan: Neuse River Nutrient Sensitive Waters (NSW) Management Strategy, dated May 6, 1996.

TECHNICAL CONSIDERATIONS:

FISCAL RESEARCH DIVISION 733-4910

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