Department of Planning and Budget 2025 General Assembly Session State Fiscal Impact Statement

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Bill Number: HB2516ER Patron: Lopez

Bill Title: Hazardous substances; Hazardous Substance Facility Response Plans; civil penalties.

Bill Summary: Requires any person that is required to submit a facility response plan under the U.S. Environmental Protection Agency's (EPA) Clean Water Act Hazardous Substance Facility Response Plans to submit evidence of an EPA-approved facility response plan to the Department of Environmental Quality within a certain time period and to comply with such plan. The bill provides certain requirements for reporting, recordkeeping, and inspection and authorizes the Department to initiate a civil action to obtain certain equitable relief for violations of the bill's provisions. The bill imposes civil penalties for violations. Finally, the bill requires the Department to develop guidance to implement the provisions of the bill.

Budget Amendment Necessary: Yes. Items Impacted: 362 (DEQ)

Explanation: This bill involves the Department of Environmental Quality (DEQ) and the Office of the

Attorney General (OAG). A budget amendment is required for DEQ to carry out the

requirements of this bill.

Fiscal Summary: DEQ anticipates ongoing non-absorbable general fund impact as a result of this bill. Nongeneral fund revenue estimates for revenue to be derived by the civil penalties in the bill are indeterminate.

General Fund Expenditure Impact:

<u>Agency</u>	<u>FY2025</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>
DEQ	\$0	\$270,000	\$270,000	\$270,000	\$270,000	\$270,000
TOTAL	\$0	\$270,000	\$270,000	\$270,000	\$270,000	\$270,000

Fiscal Analysis: This fiscal impact estimate is final. It is anticipated that this bill will result in expenditure impact and an indeterminate revenue impact to DEQ. DEQ does not currently regulate above-ground storage tanks. The bill requires new work which cannot be absorbed within existing agency resources. DEQ anticipates needing two general-fund-supported positions to track facilities and conduct enforcement activities. Each position is expected to cost \$135,000, totaling \$270,000 for personnel.

The bill also grants the State Water Control Board the authority to take civil action to recover costs, damages, and civil penalties resulting from violations, with penalties deposited into the Virginia Environmental Emergency Response Fund. However, it is not possible to estimate the number of violations that will occur. It is anticipated that OAG can absorb any impact that may result from this bill.

Other: None.