

BILL SUMMARY
1st Session of the 57th Legislature

Bill No.:	HB 2471
Version:	SAHB
Request Number:	NA
Author:	Speaker McCall
Date:	5/1/2019
Impact:	OWRB: Conservative negative impact of \$5,028,000.

**DOM: (1) FTE, plus costs for water sampling.
Minimum negative fiscal impact expected \$92,500.**

DEQ: The direct fiscal impact is minimal. However, agency cannot be estimate an exact fiscal amount for the required coordination to implement the project.

Research Analysis

The Senate Amendment provides clarifying language about mines effected by the moratorium and establishes an 11-year sunset on some provisions of the moratorium.

HB 2471 establishes a moratorium on mine operations and mining permits that may affect sensitive sole source groundwater basins or subbasins. The measure lays out conditions for the termination of the moratorium, including a coordinated effort between the Oklahoma Water Resources Board, the Oklahoma Department of Environmental Quality, the Department of Mines, East Central University, and federal and tribal governmental agencies to study sensitive sole source aquifers and develop administrative rules that implement study findings and facilitate interagency coordination.

Prepared By: Tricia Hines

Fiscal Analysis

The Oklahoma Water Resources Board (OWRB), referenced the language in subsection (C) (1) directing the agency to complete a study and develop modeling and other technical tools. From that language, the agency estimates costs for this study and the model development to cost approximately \$5 million. The agency notes they have been in discussions for various funding partners; however, they currently lack the funding for the referenced study. Lastly, the total fiscal impact to the agency, if any, regarding completion of the study, is yet to be determined.

The OWRB does expect to commit significant staff time to the development and promulgation of the rulemaking identified in subsection (C) (2). This effort will likely take place after the completion of the multi-year study and development of modeling tools. Based on previous promulgation of rules associated with the Arbuckle Simpson groundwater basin, the agency

expects to expend approximately \$28,000 based on current salary costs. The OWRB conservatively estimates a negative fiscal impact of \$5,028,000.

The Department of Mines, (DOM) anticipates the need to hire one (1) FTE at approximately \$80,000 for a hydrologist or an engineer. Additional costs anticipated, include an estimated \$10,000 for office equipment, and lastly, the required water sampling will have an impact of conservatively, \$2,500 annually. Total minimum negative fiscal impact to the agency is estimated at \$92,500.

After analysis, the measure as written has a minimal direct fiscal impact to the Department of Environmental Quality, (DEQ). The requirements of HB 2471 relating to coordination, consultation and rulemaking will require significant agency staff time; DEQ is unable to offer a reasonable fiscal impact for the project.

Prepared By: Jenny Mobley

Other Considerations

None.