

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6833

BILL NUMBER: SB 219

NOTE PREPARED: Dec 27, 2005

BILL AMENDED:

SUBJECT: Ballast Water and Sediment in Vessels.

FIRST AUTHOR: Sen. Tallian

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: This bill after June 30, 2007: (1) allows a vessel to operate in waters of Indiana only if ballast water and sediment in the vessel have been sterilized; and (2) allows a discharge of ballast water or sediment into the waters of Indiana only if the Department of Environmental Management (IDEM) has issued a permit for the discharge. It requires IDEM to establish a ballast water and sediment inspection program that ensures that aquatic nuisance species do not enter the waters of Indiana. The bill also requires the Water Pollution Control Board to adopt rules to implement these provisions.

Effective Date: July 1, 2006.

Explanation of State Expenditures: Currently, the Water Pollution Control Board must establish requirements for permits related to controlling or limiting discharges of any contaminants into state waters. This bill will require IDEM to establish requirements for an inspection program and permitting the discharge of ballast water and sediment from oceangoing vessels into an Indiana port. The bill also will require the IDEM to issue the discharge permits starting July 1, 2007.

The fiscal impact of this bill will depend on the requirements established by IDEM and rules set by the Board. Dedicated funds and the state General Fund are used for the purposes of the Department and the Board in maintaining permitting and inspection programs.

In order to issue the permits and maintain the permitting and inspection programs, the Department will likely require additional staff, which could possibly be supplied through a variety of sources. The sources may include the following: (1) existing staff and resources not currently being used to capacity; (2) existing staff

and resources currently being used in another program; (3) authorized, but vacant, staff positions, including those positions that would need to be reclassified; (4) funds that, otherwise, would be reverted; or (5) new appropriations.

As of December 2005, the Department had 908 full-time employees and 138 vacancies. In FY 2005, the Department reverted nearly \$1.2 M. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend upon legislative and administrative actions.

Explanation of State Revenues: The bill allows the Board to establish a fee for issuing a permit for discharging ballast water and sediment into an Indiana port. The amount of revenue generated by the fee will depend on the manner in which the Board will assess the fee on oceangoing vessels.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: IDEM; Water Pollution Control Board.

Local Agencies Affected:

Information Sources: State Budget Agency, *General Fund Reversion Summary Fiscal Year 2004-2005*; State of Indiana, *HRM Detail Staffing Report 12/20/2005*.

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