



DEPARTMENT OF AUDITS AND ACCOUNTS

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January 7, 2008

Honorable Chip Pearson
State Senator
Paul D. Coverdell Office Building, Room 321-B
Atlanta, Georgia 30334

SUBJECT: Fiscal Note
Senate Bill (LC 25 5008)

Dear Senator Pearson:

This bill would expand the duties of the State Soil and Water Conservation Commission (SWCC) to provide up to 20% of the cost of obtaining permits for constructing improvements to dams that were originally constructed and financially assisted by the federal Natural Resources Conservation Service, provided that matching federal funds are available for such use. In addition, the bill would allow the SWCC to fund up to 40% of the cost of obtaining a permit for the construction of any new public water supply reservoirs. The bill would also require the state Department of Natural Resources (DNR) to make available, in a single collection, all forms necessary for permit applications regarding new public water supply reservoirs.

The SWCC indicated that, as this would be an entirely new function for them, they were unable to estimate the volume and associated costs of obtaining the dam or reservoir permits. However, they indicated that their budget currently does not include funding for either the 20% of permit costs for dam improvements or the 40% of permit costs for new reservoir construction. Consequently, the cost estimates included below are exclusive of additional appropriation amounts that may be needed to fund these permit costs.

The estimated first-year cost to implement the provisions of this bill total approximately \$154,500, with an estimated cost of about \$137,500 for each following year. The SWCC estimates that, at a minimum, two additional full-time staff, consisting of an engineer and a resource specialist, would be necessary to assess dam and reservoir improvements in order

to comply with permit requirements. The salary and benefits of these staff, plus the purchase of a vehicle total approximately \$150,000. In addition, if the timetable for the implementation of this new program exceeds the availability of SWCC's legal counsel, outside counsel would be needed to write the new policies, costing an estimated \$4,500.

The DNR indicated that there would be no significant fiscal impact to the agency associated with this bill.

Respectfully,

/s/ Russell W. Hinton
State Auditor

/s/ Trey Childress, Director
Office of Planning and Budget

RWH/SCN/jr/bb