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### FISCAL IMPACT REPORT

SPONSOR:	Gubbels		DATE TYPED:	03/14/01	HB	535/aHGUAC/aHFl #1/aSPAC
SHORT TITLE	maic	er Quality Co bership	ontrol Commission		SB	
				ANAI	YST:	Belmares

### **APPROPRIATION**

Appropriatio	on Contained	Estimated Additional Impact		Recurring	Fund
FY01	FY02	FY01	FY02	or Non-Rec	Affected
	NFI				

(Parenthesis () Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files Department of Environment (DOE) Department of Game and Fish Energy, Minerals and Natural Resources Department (EMNRD) Office of the State Engineer

### SUMMARY

### Synopsis of SPAC Amendment

The Senate Public Affairs Committee amendment establishes that no member of the Water Quality Control Commission (WQCC) shall participate in the consideration of an appeal if the subject is an application filed or a permit held by an entity that either employs the Commission member or from which the Commission member received more than ten (10) percent of his gross personal income in either of the proceeding two years.

### Synopsis of House Floor #1 Amendment

The original HB535 did not change the total number of members of the WQCC, but defined that one of the three public members-at-large be a representative on a municipal government. The floor amendment restores the total of three public members-at-large, and adds an additional member to the Commission who would be a "municipal or county government representative." The bill excludes governmental holders of permits from the conflict of interest provision of the Act.

The floor amendment creates a Commission with an even number of members, thereby creating the possibility of a tie vote. The Department of Environment asserts requiring municipal or county

# House Bill 535/aHGUAC/aHFl #1/aSPAC -- Page 2

representation, but not representation by any other affected interest groups may appear to be inequitable and possibly compromise the effectiveness of the WQCC.

## Synopsis of HGUAC Amendment

The House Government and Urban Affairs Committee amendment deletes the mandatory nature of the original bill in establishing that a member of the WQCC shall be a representative of municipal government. This new amendment would allow an employee of a municipal or county government that either holds or is an applicant for a permit to serve on the WQCC. The amendment also clarifies language regarding all members of the commission file a statement of disclosure with the Secretary of State.

## Synopsis of Original Bill

House Bill 535 stipulates one of the three representatives of the public on the WQCC be a representative of a municipal government and permits persons who receive significant income from a governmental holder of a permit to serve on the WQCC. The bill also corrects a reference to the State Parks Division of the Energy, Minerals and Natural Resources Department. The bill makes no appropriation.

## Significant Issues

Most municipalities in the state hold permits under authority of the Water Quality Act. Actions of the WQCC have impacts on municipal wastewater discharges. The State Engineer Office has indicated the WQCC's deliberations and actions may be better informed if a knowledgeable representative of municipal government is included in the three public members of the WQCC.

The Department of Environment has indicated the bill arbitrarily establishes that one of the appointed positions on the WQCC shall be from municipal government. The Department of Environment indicates the issue as to why county government or other interest groups be included could likely to be contentious and could compromise the effectiveness of the WQCC.

## **POSSIBLE AMENDMENTS**

The Department of Environment has suggested the following amendment:

Strike the added language on page 2, lines 15 and 16 that states "one of whom shall be a representative of municipal government." By keeping the language on page 2, lines 24 and 25, that exclude governmental permit holders from conflict of interest issues, a municipal representative (or any other governmental representative) that works for an entity that has a permit required pursuant to the Water Quality Act could be appointed and could serve on the Water Quality Control Commission.

### EB/njw:ar