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FISCAL IMPACT REPORT

SPONSOR: Vigil DATE TYPED: 3/01/03 HB 727

SHORT TITLE: Noise & Exhaust Control on Certain Equipment SB _____

ANALYST: Wilson

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
			NFI		

SOURCES OF INFORMATION

Responses Received From

Public Regulation Commission (PRC)
 Energy, Minerals & Natural Resources (EMNRD)
 Environment Department (ED)

SUMMARY

Synopsis of Bill

House Bill 727 prohibits public utilities from locating equipment in a residential area if it creates a public nuisance. If the utility cannot move the equipment, it must provide noise and fume or exhaust abatement or enclose and ventilate the equipment in such a way that the public nuisance is eliminated.

HB 727 has an emergency clause.

Significant Issues

The state Air Quality Control Act and corresponding regulations require all air emission sources in the state demonstrate compliance with state and federal ambient air quality standards. The federal standards address public health concerns, and state standards address public health and welfare concerns. The federal and state standards are well defined and very specific; they are based on scientific data and are intended to protect human health and the environment.

In order for a public utility to emit air contaminants, the utility must submit an application to the ED. The application is reviewed to ensure compliance with all federal and state requirements.

The utility is then authorized to emit air contaminants within the limits imposed.

The definition of “public nuisance” in HB 727 is very broad and very vague. Given the breadth of the definition, virtually any public utility could be subject to the provisions of HB 727. Thus, even though a public utility has an air permit from ED and is operating in compliance with all federal and state standards, the utility could nonetheless be subject to moving equipment and ceasing operations as a result of the restrictions in HB 727. The utility would not then be able to fulfill its requirement to serve the public.

HB 727 does not define “residential area.” Therefore, any person who lives within an unspecified proximity of the facility could claim public nuisance and impose severe limiting and undefined requirements upon existing or proposed utilities.

DW/njw:sb