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## FISCAL IMPACT REPORT

**SPONSOR** Campos **ORIGINAL DATE** 02/14/21  
**LAST UPDATED** \_\_\_\_\_ **HB** \_\_\_\_\_

**SHORT TITLE** Statewide Dam Projects **SB** 138

**ANALYST** Wan

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY21	FY22		
	\$100,000.0	Nonrecurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY21	FY22	FY23	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>		\$165.0	\$165.0	\$330.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

Responses Received From  
Office of the State Engineer (OSE)

### SUMMARY

#### Synopsis of Bill

Senate Bill 138 appropriates \$100 million from the general fund to the Office of the State Engineer (OSE) for expenditure in FY22 for statewide dam projects.

### FISCAL IMPLICATIONS

The appropriation of \$100 million contained in this bill is a nonrecurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY22 shall revert to the general fund.

The LFC capital outlay framework includes \$5 million to plan, design, construct, rehabilitate, and make improvements to publicly-owned dams statewide.

OSE reports that additional funding for 2 new FTE would be needed to manage the additional workload for design review and project management associated with administering these funds. The estimated annual cost of 2 FTE in the program responsible for dam project management is \$165 thousand.

### **SIGNIFICANT ISSUES**

OSE's Dam Safety Bureau regulates 292 dams in the state. Nearly 150 of those dams are publicly-owned and have the potential to cause loss of life in the event of a dam failure. Nearly 70 of these publicly-owned dams have known deficiencies with a total estimated rehabilitation cost of over \$300 million.

OSE reports it is highly unlikely that one fiscal year is enough time to expend the funds appropriated in this bill based on the typical timeframe for completing dam construction projects.

### **ADMINISTRATIVE IMPLICATIONS**

In order to effectively spend this appropriation, OSE states additional FTE or contractor assistance would be required.

### **AMENDMENTS**

OSE recommends increasing the time frame in which to expend this funding from one fiscal year to five to ensure sufficient time to plan, approve, and complete dam rehabilitation projects. OSE also proposes adding an appropriation to the bill to provide funds for OSE oversight and management of the program.

CW/sb