

FISCAL NOTE

H.B. 138 1st Sub. (Buff)

SHORT TITLE: Underground Petroleum Storage Tank Amendments

SPONSOR: Eliason, S. (Eliason, S. Sub.)

2014 GENERAL SESSION

STATE GOVERNMENT (UCA 36-12-13(2)(b))

Enactment of this bill could increase revenue to state by \$0.96 million in FY 2015 and by \$2.07 million in FY 2016 due to changes in fees and definitions related to underground storage tanks. This revenue could be offset by risk-based refunds of approximately \$0.60 million in FY 2015 and by \$1.43 million in FY 2016 that the Utah State Tax Commission will provide to low-risk underground storage tank operators.

The bill also reduces the interest rate on loans related to underground storage tanks from three percent to zero percent beginning in FY 2015. Loan interest will decrease by about \$2,200 per year over the next 10 years.

The bill also transfers balances of \$5.95 million from the Petroleum Storage Tank Loan Fund and the Petroleum Damage Fund to the Petroleum Storage Tank Trust Fund in FY 2014.

STATE BUDGET DETAIL TABLE

	FY 2014	FY 2015	FY 2016
Revenue:			
Dedicated Credits	\$0	\$64,500	\$339,500
Restricted Funds	(\$5,949,700)	\$0	\$0
Trust & Agency Funds	\$5,949,700	\$895,800	\$1,729,800
Total Revenue	\$0	\$960,300	\$2,069,300
Expenditure:			
Trust & Agency Funds	\$0	\$595,000	\$1,429,000
Total Expenditure	\$0	\$595,000	\$1,429,000
Net Impact, All Funds (Rev.-Exp.)	\$0	\$365,300	\$640,300
Net Impact, General/Education Funds	\$0	\$0	\$0

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LOCAL GOVERNMENTS (UCA 36-12-13(2)(c))

Enactment of this bill could increase the amount of fees that local governments pay for their underground storage tanks by approximately \$48,400 per year when full implementation begins; \$14,900 could be offset by risk-based rebates. The net effect would be \$33,500 per year.

DIRECT EXPENDITURES BY UTAH RESIDENTS AND BUSINESSES (UCA 36-12-13(2)(d))

Enactment of this bill could increase the amount of fees that businesses pay for their underground storage tanks by approximately \$1.67 million per year when full implementation begins; \$1.40 million could be offset by risk-based rebates. The net effect would be \$265,300 per year.

PERFORMANCE NOTE (JR 4-2-404): Not Required