

OFFICE OF FISCAL ANALYSIS

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sHB-5334

AN ACT CONCERNING RIPARIAN AREAS.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 27 \$	FY 28 \$
Department of Energy and Environmental Protection	GF - Cost	181,304	81,304
State Comptroller - Fringe Benefits ¹	GF - Cost	34,001	34,001

Note: GF=General Fund

Municipal Impact:

Municipalities	Effect	FY 27 \$	FY 28 \$
All Municipalities	Potential Revenue Gain	See Below	See Below
All Municipalities	Potential Savings	Minimal	Minimal

Explanation

State Impact:

This bill makes various changes to the Inland Wetlands and Watercourses Act (IWWA) and results in a cost to the state of \$215,305 in FY 27 and \$115,305 in FY 28.

The bill expands the scope and oversight of the IWWA, which will result in the need for the Department of Energy and Environmental Protection (DEEP) to hire a new Environmental Analyst 2 to oversee the

¹The fringe benefit costs for most state employees are budgeted centrally in accounts administered by the Comptroller. The estimated active employee fringe benefit cost associated with most personnel changes is 41.82% of payroll in FY 27.

expansion. The new position will result in an annual salary of \$81,304 plus corresponding fringe benefits of \$34,001.

The bill requires anyone proposing a regulated activity in a wetlands or watercourse to demonstrate to the inland wetlands agency that the proposed activity will not have an adverse impact on the wetland or watercourse. This will result in consulting costs, based on similar contracts, of \$100,000 in FY 27 to DEEP, associated with training materials, research and developing guidelines to implement this change.

Municipal Impact:

The bill expands as of right operations related to uses in wetlands and watercourses. This may result in a potential savings to municipalities beginning in FY 27 to the extent fewer public hearings as held.²

The bill also expands regulated activities in inland wetlands and watercourses. This may result in a potential revenue gain to municipalities to the extent these regulated activities are violated and a fine or penalty is imposed.³

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation, the number of public hearings and fines or penalties imposed.

² It is anticipated any savings would be minimal as a municipality is typically only responsible for administrative costs associated with a public hearing.

³ Under existing law, violation of a regulated activity may result in a fine of up to \$1,000 per offense.