

Department of Planning and Budget 2019 Fiscal Impact Statement

1. **Bill Number:** HB2105

House of Origin Introduced Substitute Engrossed
Second House In Committee Substitute Enrolled

2. **Patron:** Carroll Foy

3. **Committee:** Agriculture, Chesapeake and Natural Resources

4. **Title:** Coal combustion residuals; Chesapeake Bay watershed; closure.

5. **Summary:** Requires the owner or operator of any coal combustion residuals (CCR) unit, defined in the bill to include a coal ash pond or landfill, that is located in the Chesapeake Bay watershed to close such CCR unit by removing all of the CCR for (i) recycling, known as encapsulated beneficial use, or (ii) deposition in a permitted and lined landfill that meets certain federal standards. Any owner or operator that disposes of CCR in such a landfill is required to explain why recycling is not economically feasible. Such a closure project shall be completed within 15 years of its initiation and shall be accompanied by water testing or a connection to a municipal water supply for every residence within one-half mile. The bill provides that if the owner or operator moves CCR off-site, it shall use rail transportation to the maximum extent practicable and shall develop and make publicly available a transportation plan for any truck transportation that minimizes the effects on adjacent property owners and surrounding communities. The bill requires the owner or operator of a CCR unit to accept and review on an ongoing basis sufficiently detailed proposals to beneficially reuse any CCR that are not already subject to a removal contract. The bill requires that any entity conducting the closure work, to the maximum extent practicable, utilize local labor and ensure that the work is performed by responsible contractors that pay workers fair wages and benefits. The bill requires the CCR unit owner or operator to submit two annual reports beginning October 1, 2019, and continuing until closure of all of its CCR units is complete. One report describes closure plans, progress, water monitoring results, and other aspects of the closure process; the other report contains the beneficial reuse proposals that the owner or operator has received and its analysis of such proposals.

6. **Budget Amendment Necessary:** No.

7. **Fiscal Impact Estimates:** Preliminary. See #8.

8. **Fiscal Implications:** This bill establishes requirements the owner or operator of a CCR unit located in the Chesapeake Bay watershed that stopped accepting CCR before July 1, 2019, must follow in closing the unit. Included in the requirements are two annual reports the CCR owner or operator must submit to the Governor, Secretary of Natural Resources, the Chairman of the House Committee on Agriculture, Chesapeake and Natural Resources, the

Chairman of the Senate Committee on Commerce and Labor, the Chairman of the House Committee on Commerce and Labor, and the Department of Environmental Quality (DEQ). It is anticipated that any fiscal impact this bill may have to DEQ can be absorbed within existing resources.

9. Specific Agency or Political Subdivisions Affected: Department of Environmental Quality.

10. Technical Amendment Necessary: No.

11. Other Comments: This bill is a companion to SB1533.