

Legislative Fiscal Office

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Joint Committee on Ways and Means

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To: Natural Resources Subcommittee

From: John Terpening, Legislative Fiscal Office

Date: June 16, 2021

Subject: SB 58 – Relating to charges imposed by the Department of Environmental Quality
Work Session Recommendations

SB 58 allows the Department of Environmental Quality (DEQ) to accept payments by credit card, and to charge a fee for payments made by credit card to offset the credit card use fees charged by financial institutions at the time of transaction. This will pass those costs, often referred to as “convenience fees”, onto the payee who is choosing to use the credit card option of payment rather than other payment options and will prevent DEQ from having to cover those costs that are charged by financial institutions.

Under this measure, DEQ may also impose an annual surcharge of no more than four percent on each fee or invoice generated using the Department’s Environmental Data Management System (EDMS), to defray the costs of licensing and hosting the system. Funds collected from this surcharge are to be deposited in the newly created Environmental Data Management System Fund, which is to be used for EDMS maintenance and operations costs.

DEQ’s contracted costs for licensing and hosting of the EDMS system are \$800,000 annually, therefore the surcharge is intended to raise \$1.6 million in revenue per biennium to cover these costs. DEQ’s original estimate of 4% was based on the most recent data projections around EDMS usage. If EDMS volume increases, it is assumed that the surcharge rate can be reduced. DEQ’s budget bill (SB 5516) assumes passage of SB 58.

Recommended Changes

LFO recommends adoption of the -A2 amendment that clarifies how monies collected through EDMS can be transferred from the program fund in which it’s collected to the EDMS fund in order to pay the licensing costs.

Final Subcommittee Action

LFO recommends that SB 58, as amended by the -A2 amendment, to be moved to the Ways and Means Full Committee.

Carriers

Full Committee: _____

House Floor: _____

Senate Floor: _____