

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 2614 - SB 2618

March 4, 2018

SUMMARY OF BILL: Requires the Commissioner of the Department of Environment and Conservation (TDEC) to establish a water quality-based effluent limit for the City of Franklin's sewage treatment plant.

Prohibits the disbursement of funds from the Wastewater Facility Revolving Loan Fund (WFRLF), or any other state-administered loan fund for the planned expansion of City of Franklin's sewage treatment plant, until the water quality-based effluent limits have been established and any appeal of the water quality-based effluent limit has been finally resolved.

Requires the Commissioner of TDEC to report to the General Assembly and make publicly available a list of facilities that are subject to the proposed legislation.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact – Potential delayed receipt of funding from the Wastewater Facility Revolving Loan Fund in excess of \$75,000,000 by the City of Franklin. Otherwise, the fiscal impact for state and local government is estimated to be not significant.

Assumptions:

- The proposed legislation requires the Commissioner of TDEC to establish water quality-based effluent limits for municipally-owned sewage treatment plants that (1) discharge into a river and the segment of the river that the plant discharges into does not meet water quality standards for certain parameters, including total phosphorous and low dissolved oxygen levels as referenced in the state's 303(d) list provided to the United States Environmental Protection Agency, and that (2) has submitted plans to expand its capacity to exceed 15,000,000 gallons per day and has applied for funding in excess of \$75,000,000 from the WFRLF or any other state-administered loan fund, but has not commenced substantial construction.
- According to TDEC, the only facility that would be impacted by the proposed legislation is the sewage treatment plant of the City of Franklin.
- TDEC can develop the water quality-based effluent limits within existing resources.
- The proposed legislation prohibits the disbursement of funds from the WFRLF, or any other state-administered loan fund for the planned expansion of City of Franklin's

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sewage treatment plant, until the water quality-based effluent limits have been established and any appeal of the water quality-based effluent limit has been finally resolved.

- The proposed legislation does not require the City of Franklin to make any necessary improvements prior to receiving funds from the WFRLF; it merely delays receipt of those funds until the water quality-based effluent limit is set and any appeals are resolved.
- The proposed legislation could result in the City of Franklin receiving funding from the WFRLF later than the city would under current law.
- Otherwise, the fiscal impact to state and local governments is not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista M. Lee, Executive Director

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