

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

BILL NUMBER: HB 1323 (2nd Edition)

SHORT TITLE: CAMA Permit Fees

SPONSOR(S): Representatives Luebke and McComas

FISCAL IMPACT					
	Yes (X)	No ()	No Estimate Available ()		
	<u>FY 2003-04</u>	<u>FY 2004-05</u>	<u>FY 2005-06</u>	<u>FY 2006-07</u>	<u>FY 2007-08</u>
GENERAL FUND REVENUES:	Exact amount cannot be determined. See Assumptions and Methodology.				
EXPENDITURES:	No significant impact anticipated.				
POSITIONS:	None.				
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED:	Coastal Resources Commission; Department of Environment and Natural Resources - Division of Coastal Management				
EFFECTIVE DATE:	When the bill becomes law.				

BILL SUMMARY: This bill amends GS 113A-119.1(a), authorizing the Coastal Resource Commission (CRC) to increase the maximum fee for processing a CAMA (Coastal Area Management Act) permit application from \$400 to \$1,000. GS 113A-119.1(a) states that the revenue generated through CAMA permit fees shall not exceed 33 1/3% of the total personnel and administrative costs incurred by the Division of Coastal Management (DCM) for permit processing and compliance programs. The effective date is when the bill becomes law.

ASSUMPTIONS AND METHODOLOGY: G.S. 113A-119.1(a) authorizes the CRC to establish a graduated fee schedule for the processing of applications for permits, renewals of permits, modifications of permits, and transfers of permits. Currently, statute limits the maximum fee charged for processing a CAMA permit application to \$400. Table A summarizes the current CAMA permit fee schedule and the estimated number of permits issued annually.

This legislation authorizes, but does not require, the CRC to increase the CAMA permitting fees. This bill only has a fiscal impact if the CRC does indeed adopt rules to increase one or more of the fees. The CRC has not yet developed a proposed schedule of fee increases; however, it is likely that it would consider fee increases. Every year since the FY 1998-1999 budget, DCM has experienced a permanent cut to its state appropriations. Meanwhile, projects are becoming increasingly complex and requiring more staff resources. DCM estimates that over the last two years, staff and operating expenses related to CAMA permitting averaged approximately \$2.5 million per year. During the same period, CAMA permitting fees generated an average of

\$314,000 annually. Thus, CAMA permitting fees are currently covering only 12.6% of the program costs.

Table A: Current CAMA Permit Fees and Estimated Number of Permits Issued Annually

	Fee	Number Issued
General permit to protect wetlands in estuarine and public trust waters	\$50	2,410
General permit for installation of sandbags	\$250	
All other general permits	\$100	
Major permit for private, non-commercial development	\$250	108
Major permit for public or commercial development	\$400	72
Major development extension request	\$100	*Not available
Major permit renewal	\$100	50
Minor modification to major permit	\$100	100
Permit transfer	\$100	10

Note: The fee for minor permits is \$100; however, the fee revenue goes directly to local governments. An estimated number of minor permits issued each year is not currently available.

The specific amount of additional fee revenue generated in any particular fiscal year depends on two factors: 1) the specific fee increases; and 2) when the fee increases become effective. Since these two factors are unknown, the specific fiscal impact of this bill cannot be determined.

SOURCES OF DATA: Department of Environment and Natural Resources - Division of Coastal Management

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DATE: July 16, 2003



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