



**SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE**  
**STATEMENT OF ESTIMATED FISCAL IMPACT**  
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**Bill Number:** H. 3218 Amended by House Agriculture, Natural Resources, and Environmental Affairs on January 26, 2017  
**Author:** Lucas  
**Subject:** Dams and Reservoirs Safety Act  
**Requestor:** House Agriculture, Natural Resources, and Environmental Affairs  
**RFA Analyst(s):** Stein, Kokolis, and Shuford  
**Impact Date:** February 1, 2017

**Estimate of Fiscal Impact**

	<b>FY 2017-18</b>	<b>FY 2018-19</b>
<b>State Expenditure</b>		
General Fund	\$182,940	\$168,906
Other and Federal	\$0	\$0
Full-Time Equivalent Position(s)	2.00	0.00
<b>State Revenue</b>		
General Fund	\$0	\$0
Other and Federal	\$0	\$0
<b>Local Expenditure</b>	\$0	\$0
<b>Local Revenue</b>	\$0	\$0

**Fiscal Impact Summary**

This bill as amended will increase General Fund expenditures by \$182,940 and two FTE positions during FY 2017-18 and \$168,906 each year thereafter. This bill would have no expenditure impact on Federal Funds or Other Funds.

**Explanation of Fiscal Impact**

**Amended by House Agriculture, Natural Resources, and Environmental Affairs on January 26, 2017**

**State Expenditure**

This bill as amended increases the number of dams that would be regulated by the Department of Health and Environmental Control pursuant to the Dams and Reservoirs Safety Act. Under existing law, dams under twenty-five feet in height with an impounding capacity of less than fifty-acre feet are exempt from regulation unless dam failure or improper reservoir operation might result in the loss of human life. The bill expands the definition of regulated dams and reservoirs to those for which the department determines that dam failure or improper reservoir operation might result in serious damage to homes, industrial and commercial facilities, public utilities, main and secondary highways, or railroads.

The amended bill eliminates the regulation exemption for dams whose failure might threaten roadways for which maintenance responsibility has been accepted by the Department of Transportation or county or municipal governments. Regulated dam owners are required to provide current contact information regarding the owner and an emergency action plan including

updated contact information for emergency management officials no later than July first of each year.

As amended, the emergency action plan, or any other provision of law or regulation, shall not require the owner of a dam classified as a high or significant hazard to notify any downstream residents or business owners. The owner must notify emergency officials and the department of the failure or potential failure. Emergency management officials are required to inform or evacuate any downstream residents or business owners located in the inundation zone. As amended, the bill restricts the department from requiring any changes to a dam or its appurtenant works due to a reclassification unless the failure would likely cause loss of life, or repairs are identified by the department through inspection.

**Department of Health and Environmental Control.** The department indicates that this bill will require additional General Fund expenditures of \$182,940 during FY 2017-18 and \$168,906 each year thereafter. Of these amounts, \$148,155 would be recurring annual expenditures for salaries and employer contributions for an Environmental Health Manager III and an Administrative Assistant. The Environmental Health Manager would provide high-level technical assistance to department engineers, and the Administrative Assistant would coordinate a significantly increased amount of paperwork including entering and tracking dam owner contact information, report submissions, and compliance tracking. Additional recurring operating expenditures of \$20,751 in FY 2017-18 include the cost of office supplies, travel, copier use, and computer replacement on a two to three year cycle. Non-recurring operating expenditures in FY 2017-18 include furniture, cubicles, and a computer for each of the two employees.

**State Revenue**

N/A

**Local Expenditure**

N/A

**Local Revenue**

N/A

**Introduced on January 10, 2017**

**State Expenditure**

This bill amends the Dams and Reservoirs Safety Act by increasing the number of dams that would be regulated by the Department of Health and Environmental Control, by requiring the department to provide a checklist to be completed annually by all regulated dam owners, by requiring regulated dam owners to provide specific contact information to the department by July first of each year, and by requiring owners of dams or reservoirs classified as a high or significant hazard to submit a current emergency action plan to include updated contact information for emergency management officials and for downstream residents and business owners in the inundation zone.

Under current law, dams under twenty-five feet in height with an impounding capacity of less than fifty-acre feet are exempt from regulation unless dam failure might result in the loss of human life. The bill expands the definition of regulated dams and reservoirs to include dams under twenty-five feet in height with an impounding capacity of less than fifty-acre feet if the department determines that dam failure might result in serious damage to homes, industrial and commercial facilities, public utilities, main and secondary highways and railroads, or may cause the failure of one or more downstream dams causing similar damage. The bill also eliminates the exemption from regulation for dams whose failure might threaten life and property on roadways whose maintenance responsibility has been accepted by the Department of Transportation or county or municipal government.

**Department of Health and Environmental Control.** The department indicates that this bill will require a General Fund expenditure of \$182,940 during FY 2017-18 and \$168,906 each year thereafter. Of these amounts, \$148,155 would be recurring annual expenditures for the salaries and employer contributions associated with two full-time equivalent positions: an Environmental Health Manager III and an Administrative Assistant. The Environmental Health Manager would provide high-level technical assistance to DHEC engineers, and the Administrative Assistant would be needed to process a significantly increased paperwork flow, including entering and tracking dam owner contact information for all dams, report submissions, and compliance tracking. Recurring operating expenditures are estimated at \$20,751 and include the cost of office supplies, travel, copier use, and computer replacement on a two to three year cycle. Non-recurring operating costs in FY 2017-18 include furniture, cubicles, and one computer with a monitor for each of the two employees.

**State Revenue**

N/A

**Local Expenditure**

N/A

**Local Revenue**

N/A



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Frank A. Rainwater, Executive Director