

**House Natural Resource, Fish and Wildlife**  
**Draft 3.4 Clean Water Funding Bill: February 20 Summary of Proposed Revenue Sections**

<b>Bill Section</b>	<b>Subject Matter</b>	<b>Estimated Revenue Generated Annually</b>	<b>Disposition</b>
Sec. 1	Repeals sunset of 0.2% Clean Water Surcharge on Property Transfer Tax	\$4.7m to \$5m	Clean Water Fund
Sec. 2	Increases fee on agricultural fertilizer from \$0.50 to \$25.00 per ton	\$930,000	98% deposited in Clean Water Fund 2% deposited in Agency of Agriculture special fund to run program
Sec. 5	Directs that fines collected by Agency of Agriculture for water quality violations be deposited in Clean Water Fund	\$175,000 to \$225,000	Clean Water Fund
Sec. 6	Directs that fines collected by ANR for water quality violations be deposited in Clean Water Fund	\$200,000	Clean Water Fund
Sec. 7	Directs that fines collected by Attorney General for water quality violations be deposited in Clean Water Fund	No estimate available	Clean Water Fund
Sec. 8	Annual Cropland fee of \$2.00 per acre	Estimates vary depending on acreage calculated AAFMM estimates 120,000 acres--\$240,000 Other estimate of 420,000 acres--\$840,000	Clean Water Fund
Sec. 15	\$10.00 Annualized Clean Water Fee on Motor Vehicle Registration	300,000 registered vehicles \$3m	Transportation Fund for State and municipal management of stormwater from roads
Sec. 16	Increases the diesel tax one cent per gallon	\$690,000	Transportation Fund for State and municipal management of stormwater from roads
Sec. 18	Increases the gas tax one cent per gallon	\$3m	Transportation Fund for State and municipal management of stormwater from roads

<b>Bill Section</b>	<b>Subject Matter</b>	<b>Estimated Revenue Generated Annually</b>	<b>Disposition</b>
Sec. 19	Clean Water Affinity Card	Minimal	Clean Water Fund
Sec. 21	\$5.00 a night surcharge on room occupancy	\$18m	Clean Water Fund
Sec. 21	1% increase in rooms tax to 10% 1% increase in meals tax to 10% 1% increase in alcohol tax to 11%	\$5.3m rooms \$11.7m meals <u>\$1.9m alcohol</u> \$18.9m total	95% of rooms, meals, alcohol tax deposited in General Fund 5% of rooms, meals, alcohol tax deposited in Clean Water Fund
Sec. 24	Application of sales tax to rental of marina slip spaces, limousine services, parking spaces, self storage facilities	\$940,000 storage \$610,000 limos \$280,000 parking lots <u>\$210,000 marinas</u> \$2.04m total	0.75 percent of the revenue from sales and use taxes deposited in Clean Water Fund
Sec. 25	Application of use tax to rental of marina slip spaces, limousine services, parking spaces, self storage facilities	No estimate provided	0.75 percent of the revenue from sales and use taxes deposited in Clean Water Fund
Sec. 30	Working Group on Water Quality to recommend assessment of statewide impervious surface fee, or per parcel fee, or both	Estimate depends on recommended legislation	To be determined
<b>Total Estimated Revenue</b>		Between \$51.8m and \$52.5m annually	

State Treasurer estimates the 20 year total clean water costs at \$2.3b. Existing revenue streams produce \$1.06b a year, leaving a 20 year total gap of \$1.25b. Annual compliance costs are estimated at \$115.6m, with existing annual revenue at \$53.2m, leaving a gap of \$62.4m per year, which includes all public and private costs, such as costs to developers and farms. State share of the gap is estimated to be \$25m to \$30m a year.