LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS FISCAL IMPACT STATEMENT

LS 6890 NOTE PREPARED: Mar 25, 2025 **BILL NUMBER:** SB 477 **BILL AMENDED:** Jan 28, 2025

SUBJECT: Low Head Dams.

FIRST AUTHOR: Sen. Busch

BILL STATUS: Enrolled

FIRST SPONSOR: Rep. Manning

FUNDS AFFECTED: X GENERAL IMPACT: State

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<u>Summary of Legislation:</u> The bill provides that the state does not assume ownership of or responsibility for a low head dam that is not listed as owned by the state on the Department of Natural Resources' (DNR) low head dam roster.

The bill permits a person to remove without a permit certain low head dams that are located on a navigable waterway and that are encroachments. It requires the DNR to establish warning sign standards and requirements for low head dams that are on the roster. It allows for a bond of \$1 M to serve as proof of financial responsibility for a person that owns a low head dam. It provides that a permit issued by the director after January 1, 2021, for the removal of a low head dam does not expire until two years after certain judicial appeal processes are complete.

Effective Date: Upon passage; July 1, 2025.

Explanation of State Expenditures: The bill requires the Natural Resources Commission (NRC) to adopt rules regarding low head dam regulations, including the conditions that must be present for an owner to remove a low head dam from a navigable waterway without a permit. An owner must provide notice to the DNR at least 30 days prior. These provisions may increase workload for the NRC to adopt rules and to follow up on notices to ensure that a dam meets the requirements for removal without a permit. The NRC should be able to accomplish the additional workload using existing staffing and resources.

[The provision allowing for removal of a low head dam without a permit does not apply to a dam owned and operated by a public utility or a municipal public utility, or a dam owned, managed, or operated by the DNR.]

Explanation of State Revenues: The bill allows an owner of a low head dam that meets certain conditions to remove the dam without a permit. These permits are typically \$200, and the revenue goes into the Land and Water Resources Fund. The bill extends the validity of a permit for removal of a low head dam that was issued after January 1, 2021, until two years after any local, state, or federal administrative or judicial appeals regarding all necessary permits have been adjudicated.

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Explanation of Local Expenditures:

Explanation of Local Revenues:

<u>State Agencies Affected:</u> Department of Natural Resources; Natural Resources Commission.

Local Agencies Affected:

Information Sources:

Fiscal Analyst: Heather Puletz, 317-234-9484.

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