

# Fiscal Impact Statement Prepared By New York City Mayor's Office of Management and Budget



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**Disclaimer:** This fiscal impact statement is a preliminary estimate and subject to change based upon further data analysis or changes in bill text. This legislation is summarized as understood by the administration as of the date this statement was prepared and does not include or consider subsequent text changes. This fiscal impact statement is not legally binding on the administration. "Total" columns represent the respective sum over a four-year period; note that fiscal impacts continue after year four. Unless otherwise stated, information used in the preparation of this Fiscal Impact Statement is sourced from the agencies impacted and the NYC Mayor's Office of Management and Budget.

**Proposed Intro No. / Title:** *Int. 1130 / Regulation of indirect sources of air pollution*

**Sponsors:** Avilés, Brooks-Powers, Restler, Cabán and Williams (in conjunction with the Brooklyn Borough President)

**Committee:** Environmental Protection, Resiliency and Waterfronts

**Summary of Legislation:** The Commissioner of the Department of Environmental Protection (DEP) must promulgate an indirect source rule to reduce emissions attributable to the use of indirect sources, such as warehouses or other structures that attract mobile sources of air pollution. In promulgating the rule, the Commissioner must consider a variety of measures, including but not limited to requiring indirect air sources to implement a mitigation plan, regulating times of delivery, establishing incentives for indirect sources to take mitigating action, and establishing penalties for violations.

**Effective Date:** 180 days after enactment

**First Fiscal Year Legislation Takes Effect:** Fiscal Year 2026

**First Fiscal Year with Full Impact:** Fiscal Year 2026

**Agencies Impacted:** Department of Environmental Protection

## Fiscal Impact Analysis

### A. Total Impact (Expense and Revenue)

	Fiscal Year 1	Fiscal Year 2	Fiscal Year 3	Fiscal Year 4	Total
Expense	(\$3,995,000)	(\$3,995,000)	(\$1,295,000)	(\$1,295,000)	(\$10,580,000)
Revenue	\$1,400,000	\$1,400,000	\$1,400,000	\$1,400,000	\$5,600,000
Total	(\$2,595,000)	(\$2,595,000)	\$105,000	\$105,000	(\$4,980,000)

**Date Prepared:**

January 25, 2025

**B. Expense**

	<b>Fiscal Year 1</b>	<b>Fiscal Year 2</b>	<b>Fiscal Year 3</b>	<b>Fiscal Year 4</b>	<b>Total</b>
Expenditures	(\$3,995,000)	(\$3,995,000)	(\$1,295,000)	(\$1,295,000)	(\$10,580,000)

**Impact on Expenditures (Expense):**

It is anticipated that DEP will need OTPS resources for the development of a public-facing computer database system to manage the program, the costs of an Environmental Impact Statement, equipment (desktops etc.) for employees, and 4 vehicles for inspectors to visit the regulated sites. This would require approximately \$3,000,000 in the first two years and approximately \$300,000 annually thereafter.

Additionally, it is anticipated that DEP will require \$995,000 annually in Personnel Services (PS) resources for 12 new staff, broken down as follows:

- 4 City Research Scientists (at an average salary of approximately \$115,000) to analyze the submissions and review points for compliance,
- 2 Clericals (at an average salary of approximately \$50,000) to ensure there are proper filings and prepare any notifications that need to be addressed to the operators,
- 1 Mechanical Engineer (at a salary of approximately \$75,000) for review of custom plans,
- 4 Air Pollution Inspectors (at an average salary of approximately \$60,000) to enforce and issue summonses for noncompliance, and
- 1 Computer Specialist (at a salary of approximately \$120,000) to maintain the database that will track submissions.

**C. Revenue**

	<b>Fiscal Year 1</b>	<b>Fiscal Year 2</b>	<b>Fiscal Year 3</b>	<b>Fiscal Year 4</b>	<b>Total</b>
Revenue	\$1,400,000	\$1,400,000	\$1,400,000	\$1,400,000	\$5,600,000

**Impact on Revenue:**

It is projected there will be approximately \$1,400,000 in new revenue annually from fees received from regulating warehouses.

**D. Capital**

	<b>Fiscal Year 1</b>	<b>Fiscal Year 2</b>	<b>Fiscal Year 3</b>	<b>Fiscal Year 4</b>	<b>Total</b>
Expenditures	0	0	0	0	0

**Impact on Expenditures (Capital):**

There is no anticipated impact on capital expenditures.