

**Department of Environment and Natural Resources
Ecosystem Enhancement Program (EEP)**

Name of Fee: Ecosystem Restoration Fund

Purpose of Fee: To revise fees associated with EEP's voluntary in-lieu fee program for compensatory mitigation

Authority: G.S. 143-214.11; 143-214.12; 143-215.3

Current Fee: \$232 per linear foot for streams; \$27,847 per acre for riparian wetlands; \$13,924 per acre for non-riparian wetlands; \$397 per acre for perpetual monitoring and maintenance of conservation properties. See attachment.

Revenue Generated (FY 2005-06): \$10,062,353.28

Proposed Fee: Variable based on new fee category. See attachment.

Additional Revenue Generated (Based upon FY 2005-06 Payments): \$3,356,400.

Projected Total Annual Revenue: \$13,418,753.

Rationale for Fee Increase: State regulation (15A NCAC 2R .0402) requires that EEP annually evaluate the actual costs associated with compensatory mitigation and adjust fees as appropriate. The program recently completed an in-depth analysis of restoration project costs with the assistance of the academic community and has determined that the current schedule of fees is insufficient to offset actual costs associated with program projects.

Who Pays: Voluntary program participants including private development companies, individuals and local governments.

Number Affected by Fee: EEP received 152 individual payments for wetlands and stream mitigation during FY 2005-06.

Inception Date of Fee: August 1, 1998.

Date of Last Fee Change: Regulatory revision effective April 1, 2003 and annual adjustments for inflation published every July 1 since then.

Attachment

Proposed Fee Revisions:

1. Stream Fees – cost per linear foot

Existing	Proposed		
	Urban	Rural	Coastal
\$232	\$332	\$232	\$232

2. Riparian Wetland Fees – cost per acre

Existing	Proposed		
	Urban	Rural	Coastal
\$27,847	\$56,000	\$32,000	\$38,000

3. Non-Riparian Wetland Fees – cost per acre

Existing	Proposed		
	Urban	Rural	Coastal
\$13,924	\$21,000	\$21,000	\$24,000

4. Monitoring and maintenance of properties and easements held by the program for the purposes of long-term stewardship: Current fee = \$397 per acre; Proposed fee = \$1,000 per acre, with a minimum payment of \$1,000.

Proposed Counties in Urban, Rural, and Coastal Categories for Stream and Wetland Fees:

