

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3301-01
Bill No.: HB 973
Subject: Environmental Protection; Motor Vehicles; Roads and Highways
Type: Original
Date: January 26, 2004

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Solid Waste Management Fund	\$1,730,087	\$2,076,104	\$2,076,104
Highway Fund	(\$6,334)	\$0	\$0
Hazardous Waste Remedial Fund	\$800,000	\$1,600,000	\$1,600,000
Hazardous Waste Fund	\$550,000	\$1,100,000	\$1,100,000
Total Estimated Net Effect on Other State Funds	\$3,073,753	\$4,776,104	\$4,776,104

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Transportation, Department of Economic Development and Attorney General's Office** assume no fiscal impact.

Officials of the **Department of Revenue** assume this proposal extends the sunset provision from January 1, 2004 to January 1, 2009. However, the Department of Revenue would have to notify tire retailers that the tire fee program was reactivated. All tire fee accounts must be programmatically reactivated requiring an estimated 173 hours or \$5,771 and mailing costs of \$563.

Officials from the **Department of Natural Resources (DNR)** assume the proposed legislation would extend the sunset date on the waste tire fee. The waste tire fee generates about \$2.1 million dollars annually. The DNR assumes the revenue will be used to fund continued removal of illegally dumped tires, educational programs, and grants to end users.

The proposal extends the sunset of two fees that support the hazardous waste program. Extension of the fees will not result in a fiscal impact.

ASSUMPTION (continued)

Current statute provides revenue through January 1, 2005 (first six months of FY05). The proposed legislation would extend the sunset date of two fees that support the hazardous waste program to January 1, 2010. Extension of the sunset date for these fees will continue the current revenue stream. This does not affect the department's authority regarding these issues. Therefore, the program will not be impacted by this legislation.

The proposal extends the sunset date. Revenue received as a result of this legislation is projected to be \$800,000 to the Hazardous Waste Remedial Fund and \$550,000 to the Hazardous Waste Fund for the six month period of FY05 beginning January 1, 2005. The continued fees will generate about \$1.6M annually into Hazardous Waste Remedial Fund and \$1.1M annually to the Hazardous Waste Fund.

Projected revenues for FY 2006 that would be generated are approximately \$2,476,053 in category tax (60% to HWRF and 40% to HWF) and \$142,045 in land disposal fees (60% to HWRF and 40% to HWF).

The department assumes the revenue will be used to support the regulation of hazardous wastes in the state of Missouri. Revenue from these fees is a critical component of the funding that support the regulation, compliance and enforcement activities conducted by the Hazardous Waste Program and Regional Offices. This funding also supports emergency response activities conducted by the Environmental Services Program.

<u>FISCAL IMPACT - State Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
SOLID WASTE MANAGEMENT FUND			
<u>Income - DNR</u>			
Solid Waste Management Fund - Tire Fees	<u>\$1,730,087</u>	<u>\$2,076,104</u>	<u>\$2,076,104</u>
NET ESTIMATED EFFECT ON SOLID WASTE MANAGEMENT FUND	<u>\$1,730,087</u>	<u>\$2,076,104</u>	<u>\$2,076,104</u>
HAZARDOUS WASTE REMEDIAL FUND			
<u>Income - DNR</u>			
Hazardous Waste Remedial Fund	\$800,000	\$1,600,000	\$1,600,000
Hazardous Waste Fund	<u>\$550,000</u>	<u>\$1,100,000</u>	<u>\$1,100,000</u>
NET ESTIMATED EFFECT ON HAZARDOUS WASTE REMEDIAL FUND	<u>\$1,350,000</u>	<u>\$2,700,000</u>	<u>\$2,700,000</u>
HIGHWAY FUND			
<u>Cost-Department of Revenue</u>			
Programming and Mailing	<u>(\$6,334)</u>	<u>\$0</u>	<u>\$0</u>
NET ESTIMATED EFFECT ON HIGHWAY FUND	<u>(\$6,334)</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

The waste tire fee expired on January 1, 2004. This bill reimposes the fee until January 1, 2009. The hazardous waste generator fee will also expire on January 1, 2005. This bill extends the fee until January 1, 2010.

This proposal has an emergency clause.

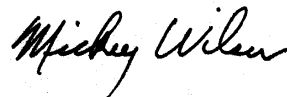
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Natural Resources

Department of Revenue

Department of Transportation

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
January 26, 2004