

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4213-01
Bill No.: HB 1277
Subject: Environmental Protection; Natural Resources
Type: Original
Date: February 4, 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
Hazardous Waste Remedial Fund	\$800,000	\$1,600,000	\$800,000
Hazardous Waste Fund	\$550,000	\$1,100,000	\$550,000
Total Estimated Net Effect on <u>All</u> State Funds	\$1,350,000	\$2,700,000	\$1,350,000

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Missouri House of Representatives, Department of Conservation and Department of Transportation** assume no fiscal impact to their agency.

Officials from the **Department of Natural Resources (DNR)** assume beginning July 1, 2004, the Hazardous Waste Management Commission shall convene a task force to consider proposals for restructuring fees paid by hazardous waste generators and hazardous waste facilities. The HWP assumes staff time would be required to prepare for task force meetings, resulting in a shift of duties for HWP staff. The program is unable to estimate how much time will be necessary to prepare for task force meetings.

This proposal would allow Missouri treatment storage and disposal facilities receiving hazardous waste from out of state generators to submit registration and reporting information and pay applicable fees on behalf of the out of state generators. This section of the legislation will not result in any fiscal impact to the department.

This proposal extends the sunset date of the category fee to December 31, 2006. 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 December 31, 2006. Extension of the sunset date for the category fee 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).

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	FY 2006	FY 2007
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HAZARDOUS WASTE REMEDIAL FUND

Income - DNR

Hazardous Waste Remedial Fund	\$800,000	\$1,600,000	\$800,000
Hazardous Waste Fund	<u>\$550,000</u>	<u>\$1,100,000</u>	<u>\$550,000</u>

NET ESTIMATED EFFECT ON HAZARDOUS WASTE REMEDIAL FUND

<u>\$1,350,000</u>	<u>\$2,700,000</u>	<u>\$1,350,000</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2005	FY 2006	FY 2007
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<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

Registered hazardous waste generators and treatment, storage, and disposal facilities subject to the category tax and land disposal fee tax would be impacted. There would be no change to the current system, except that the obligation to pay these fees would be extended beyond January 1, 2005. Under current law, there is no obligation for these people to pay fees after that date.

This proposal would allow Missouri treatment storage and disposal facilities receiving hazardous waste from out of state generators to submit registration and reporting information and pay applicable fees on behalf of the out-of-state generators. Since it is unknown how many treatment, storage, and disposal facilities will choose to register and pay applicable fees on behalf of out-of-state generators, economic impact cannot be adequately determined.

DESCRIPTION

This bill requires the Hazardous Waste Management Commission to convene a task force, beginning July 1, 2004, to consider proposals for restructuring the fees paid by hazardous waste generators and hazardous waste facilities. The task force will consider options for expanding the

DESCRIPTION (continued)

fee structure to more fairly apportion the cost of services provided among all those that benefit from those services. The task force must include representatives from hazardous waste generators; hazardous waste treatment, storage, and disposal facilities; environmental groups; the General Assembly; the Department of Natural Resources; and interested members of the public. The task force must submit a report including its recommendations to the Governor and the General Assembly by September 1, 2005.

The bill also allows Missouri treatment, storage, and disposal facilities that receive hazardous material from out-of-state generators to submit registration information to the Department of Natural Resources. This information should describe the types and quantities of hazardous waste received from out-of-state generators. As long as the facility submits this information to the department, the out-of-state generator will not be required to do so. The facility is also responsible for paying all fees and taxes on behalf of the out-of-state generator.

The bill contains an emergency clause.

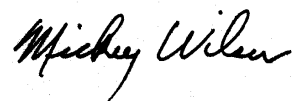
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Natural Resources
Department of Transportation
Department of Conservation
Missouri House of Representatives

NOT RESPONDING

Department of Agriculture
Missouri Senate

A handwritten signature in black ink, appearing to read "Mickey Wilson". The signature is written in a cursive, flowing style.

L.R. No. 4213-01
Bill No. HB 1277
Page 6 of 6
February 4, 2004

Mickey Wilson, CPA
Director
February 4, 2004

VL:LR:OD (12/02)