

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 5853-01  
Bill No.: HB 2097  
Subject: Cities, Towns and Villages; Waste - Solid; Boards, Commissions, Committees,  
and Councils  
Type: Original  
Date: February 23, 2018

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Bill Summary: This proposal establishes the Freedom to Choose Trash Collection Services Act, which requires voter approval of any contract with mandated haulers of trash collection except in North Kansas City, Kansas City, and St. Louis.

**FISCAL SUMMARY**

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
<b>Local Government</b>	<b>\$0 to (Unknown)</b>	<b>\$0 to (Unknown)</b>	<b>\$0 to (Unknown)</b>

## **FISCAL ANALYSIS**

### **ASSUMPTION**

Officials at the **City of Grant City** have had a contract with a trash hauler for over 20 years to pick up trash in their community. The City has mandated trash pickup and the billing is done through the City. Each household currently pays \$13.00 per month for trash pickup and the City also does twice yearly citywide cleanup days where customers can place larger items out for pickup and there is no additional cost to the customers.

Please find below just a few of the issues that the City would face if trash pickup were to go to a vote of the people:

- \* Added expense of election costs (placing the issue on the ballot)
- \* Street damage from larger trucks being used to pick up trash (the City currently uses a small local trash hauler with smaller trucks. The City streets cannot sustain the weight from the larger trucks and the City just completed a \$440,000 street paving project with some streets being paved for the first time in 50 years. If larger trucks are used, the streets would suffer damage and the City would be spending additional funds to resurface and repair the streets or go back to gravel)
- \* Higher costs/billing (if each household contracts individually for their trash pickup, each could possibly see an increase in their monthly statement since there would not be as many customers per hauler and the billing would not be done through the City)
- \* Cleanliness of the community if not all households signed up for trash pickup
- \* The City currently offers twice yearly citywide cleanup through our current trash hauler and these opportunities would go away or add additional costs to the City plus create issues with larger items not being disposed of in the correct way

Officials at the **City of Springfield** assume a potential negative fiscal impact relating to the bill's inherent administrative burden, however, the loss is likely more than \$100,000.

**Oversight** assumes cities, towns, and villages could have fiscal impact if voter approval is required of any contract for mandated haulers of residential solid waste collection. The amount of costs would be unknown and would depend upon the size of the district and how many other political subdivisions are holding an election at the same time.

ASSUMPTION (continued)

**Oversight** will show a fiscal impact to local government as \$0 to unknown costs for an election.

Officials at the **Department of Natural Resources**, the **Department of Economic Development** and the **Office of the Secretary of State** each assume no fiscal impact to their respective agencies from this proposal.

<u>FISCAL IMPACT - State Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
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**LOCAL ELECTION AUTHORITY FUNDS**

<u>Costs</u> - Local Election Authorities - of an election	\$0 to <u>(Unknown)</u>	\$0 to <u>(Unknown)</u>	\$0 to <u>(Unknown)</u>
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**ESTIMATED NET EFFECT ON LOCAL ELECTION AUTHORITY FUNDS**

\$0 to <u>(Unknown)</u>	\$0 to <u>(Unknown)</u>	\$0 to <u>(Unknown)</u>
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FISCAL IMPACT - Small Business

There could be a direct fiscal impact to small businesses as a result of this proposal.

FISCAL DESCRIPTION

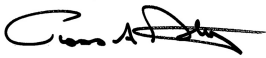
This bill establishes the Freedom to Choose Trash Collection Services Act which requires voter approval of any contract with a mandated hauler of residential solid waste collection in any city, town, or village except North Kansas City, Kansas City, or St. Louis City.

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

City of Grant City  
City of Springfield  
Department of Natural Resources  
Department of Economic Development  
Office of the Secretary of State

Ross Strobe

A handwritten signature in black ink, appearing to read "Ross Strobe", with a stylized, cursive script.

Acting Director  
February 23, 2018