

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1814-01
Bill No.: HB 740
Subject: Fees; Waste - Hazardous
Type: Original
Date: March 26, 2013

Bill Summary: This proposal extends the expiration date of certain hazardous waste fees to 2018.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Hazardous Waste*	\$0	\$0	\$0
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

* Revenues and Expenditures net to zero

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

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on FTE	0	0	0

Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§§ 260.262, 260.380 and 260.475 - Hazardous Waste and Battery Fee Extension:

Officials from the **Department of Natural Resources (DNR)** assume this proposal will extend the \$0.50 fee on the sale of lead-acid batteries for five years from December 31, 2013 through December 31, 2018. Less collection costs by the retailer and the Department of Revenue, the department estimates approximately \$700,000 will be collected for the lead-acid battery fee annually as revenue to the Hazardous Waste Fund.

DNR assumes these sections also extend the hazardous waste fees for five years from December 31, 2013 through December 31, 2018. The department estimates approximately \$1.3 million will be collected for land disposal fees, generator registration/annual renewal fees, in-state tonnage fees, and out-of-state tonnage fees annually.

Oversight assumes this is an extension of the land disposal and the lead-acid battery fee and will reflect this as a fee continuance to the Hazardous Waste Fund.

Officials from the **Office of the Secretary of State (SOS)** state many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with the core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process.

Officials from the **Department of Revenue, Office of the Attorney General, City of Kansas City, City of Columbia** each assume the proposal would not fiscally impact their respective agencies.

<u>FISCAL IMPACT - State Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
HAZARDOUS WASTE FUND			
<u>Revenue - DNR</u>			
§§ 260.262, 260.380 and 260.475 - Lead Battery fee continuance	\$350,000	\$700,000	\$700,000
<u>Revenue - DNR</u>			
§§ 260.262, 260.380 and 260.475 - Land Disposal fee continuance	\$650,000	\$1,300,000	\$1,300,000
<u>Expense - DNR</u>			
§§ 260.262, 260.380 and 260.475 - Hazardous Waste Programs	<u>(\$1,000,000)</u>	<u>(\$2,000,000)</u>	<u>(\$2,000,000)</u>
ESTIMATED NET EFFECT ON THE HAZARDOUS WASTE FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

§§ 260.262, 260.380 and 260.475 - Hazardous Waste and Battery Fee Extension:

Retail facilities that sell lead-acid batteries will continue to collect the fee as allowed under this legislation and transfer the fees and remittance reports to the Department of Revenue. They will continue to retain 6% of the fees for collection costs.

Small businesses that purchase lead-acid batteries will continue to be subject to the \$.50 fee on each battery purchased.

FISCAL IMPACT - Small Business (continued)

Section 260.380 requires that all hazardous waste generators pay a one hundred dollar registration fee upon initial registration, and a one hundred dollar registration renewal fee annually thereafter to maintain an active registration.

Generators pay annually a fee of five dollars per ton or portion thereof of hazardous waste registered with the department not to exceed fifty-two thousand dollars per generator site per year nor be less than one hundred fifty dollars per generator site per year.

Missouri treatment, storage, or disposal facilities pay annually a fee equal to two dollars per ton or portion thereof for all hazardous waste received from outside the state.

Registered hazardous waste generators subject to the hazardous waste fees would be impacted. There would be no change to the current system, except that the fee expiration is extended from December 31, 2013 to December 31, 2018.

Section 260.475 requires every hazardous waste generator located in Missouri to pay, in addition to the fees imposed in section 260.380, a fee of twenty-five dollars per ton annually on all hazardous waste which is discharged, deposited, dumped or placed into or on the soil as a final action, and two dollars per ton on all other hazardous waste transported off site.

FISCAL DESCRIPTION

§§ 260.262, 260.380 and 260.475 - Hazardous Waste and Battery Fee Extension:

Extends from December 31, 2013, to December 31, 2018, the 50 cent fee that is collected on the retail sale of a lead-acid battery as well as the fees for any hazardous waste generated.

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

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SOURCES OF INFORMATION

Department of Natural Resources
Office of the Attorney General
Department of Revenue
Office of Secretary of State
City of Kansas City
City of Columbia



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Acting Director
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