

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based only on the provisions contained in the legislation as of the latest date listed below.)

BILL: CS/SB 1434

SPONSOR: Natural Resources Committee and Senator Hargrett

SUBJECT: Solid waste management

DATE: April 16, 1999 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Branning</u>	<u>Voigt</u>	<u>NR</u>	<u>Favorable/CS</u>
2.	<u>Hendon</u>	<u>Hadi</u>	<u>FR</u>	<u>Favorable</u>
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____

I. Summary:

This bill authorizes the Department of Environmental Protection (DEP) to use funds from the Solid Waste Management Trust Fund as grants to Florida-based businesses that recycle lead-acid batteries and other lead-containing materials, such as televisions and computer monitors that utilize lead-containing cathode ray tubes. Appropriates \$400,000 from the Solid Waste Management Trust Fund to the DEP for FY 1999-2000 to fund these grants. Authorizes the DEP to seek annual funding through FY 2004-2005.

II. Present Situation:

The Legislature enacted the Solid Waste Management Act of 1988 to address several aspects of solid waste management in Florida. The act also created the Solid Waste Management Trust Fund (SWMTF) which is administered by the Department of Environmental Protection. Section 403.709, F.S., provides that the purposes of the fund are:

- To fund solid waste activities of the department, such as providing technical assistance to local governments, performing solid waste regulatory and enforcement functions, preparing solid waste documents, and implementing solid waste education programs.
- Make recycling and education grants and awards to local governments.
- Provide funding for research, demonstration, and training by state universities, community colleges, and independent nonprofit colleges and universities within the state, and other organizations that can reasonably demonstrate the capability to carry out such projects.

The major source of first-year funding for the SWMTF came from the oil Overcharge Settlement Fund which was the result of the settlement of a large civil suit brought against several large oil companies by the federal Department of Energy. Since that time, the major funding sources have included the following:

- Sales tax -- Two-tenths of one percent of the sales tax is deposited into the SWMTF. Also, the proceeds of the sales tax dealer's registration fees are deposited into the SWMTF.
- Waste tire fees -- The \$1-per-tire disposal fee for new tires sold at retail is deposited into the SWMTF.
- From 1993 to 1995, the proceeds of the now defunct advance disposal fee were deposited into the SWMTF.

In the past several years, the SWMTF has been used to fund programs that seemingly are not solid waste related. As a result, the Legislature in 1997 created the Solid Waste Management Trust Fund Review Commission to thoroughly examine the funding issues and purposes of the SWMTF. The commission's charge was to review the current uses of the SWMTF and recommend, where appropriate, alternative funding sources for recycling, aquatic plant management and surface water improvement and management. The commission issued its report on January 30, 1998. The commission found that the current funding sources were appropriate for solid waste management; the SWMTF should not be used to fund aquatic plant management; and the SWMTF was an inappropriate source of funds for the Surface Water Improvement and Management (SWIM) program.

In addition to the recycling and education grants to the counties, s. 403.709, F.S., provides that moneys allocated to the SWMTF from the waste tire fees shall be used various tire recycling and abatement programs.

In addition to the waste tire fee, s. 403.7185, F.S., imposes a \$1.50-per-battery fee on the retail sale of lead-acid batteries. The proceeds from this fee are deposited into the Water Quality Assurance Trust Fund. Section 403.708, F.S., provides that after January 1, 1989, no lead-acid battery may be disposed of in a landfill or any waste-to-energy facility. To encourage proper collection and recycling, all persons who sell lead-acid batteries at retail are required to accept used lead-acid batteries as trade-ins for new lead-acid batteries. Currently, the retail battery industry practice is to charge approximately \$3-\$5 more for a new battery if there is no trade-in. As a result, the rate for recycling lead-acid batteries is estimated by the U.S. Environmental Protection Agency and the battery industry to be approximately 90 to 95 percent nationwide. No estimates of the battery recycling rate in Florida are presently known.

III. Effect of Proposed Changes:

This bill authorizes the Department of Environmental Protection to use funds from the Solid Waste Management Trust Fund as grants to Florida-based businesses that recycle lead-acid batteries and other lead-containing materials, including products such as televisions and computer monitors that utilize lead containing cathode ray tubes. This incentive funding may be used for research and development in methods to recover and recycle lead from the environment; for innovative technologies and equipment to process and recycle lead-containing materials; and for establishing an infrastructure to collect and transport lead-containing material to Florida-based recycling businesses.

The Department of Environmental Protection (DEP) is directed to work with the Department of Management Services to implement a pilot program to collect lead-containing products, including end-of-life computers and other electronic equipment from state and local agencies. Local governments are encouraged to establish collection and recycling programs for publicly and privately owned lead-containing products, including end-of-life televisions, computers and other electronic products through existing recycling and household hazardous waste management programs.

The bill appropriates \$400,000 from the Solid Waste Management Trust Fund to the DEP for FY 1999-2000 to fund these grants. The DEP is authorized to request annual funding for these grants through FY 2004-2005.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

Cathode ray tubes (CRTs) from computer monitors and televisions contain lead and pose a disposal and recycling problem for Florida. Currently, there is no facility in Florida that can recycle the lead from these products. As a result, these products are shipped intact to a facility in Arkansas so that the lead may be extracted and recycled at a cost of approximately \$7 per monitor or television set.

Currently, there is only one business in the state that receives used batteries and recycles the lead on the premises. This bill would assist businesses like this to expand their operations and provide a cost-effective and an environmentally responsible way of dealing with a potentially hazardous disposal situation in Florida.

C. Government Sector Impact:

This bill appropriates \$400,000 from the Solid Waste Management Trust Fund to the DEP to fund the grants authorized by this bill. The grant program could continue through FY 2004-2005 contingent upon annual appropriations from the Solid Waste Management Trust Fund.

Additional Comment by Fiscal Policy Committee Staff

The current (April 17, 1999) funding proposal by the General Government Conference Committee provides that the Solid Waste Management Trust Fund can accommodate the appropriation contained in the bill.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Amendments:

None.

This Senate staff analysis does not reflect the intent or official position of the bill's sponsor or the Florida Senate.
