

STORAGE NAME: h0779.ep

DATE: March 5, 1999

**HOUSE OF REPRESENTATIVES
COMMITTEE ON
ENVIRONMENTAL PROTECTION
ANALYSIS**

BILL #: HB 779

RELATING TO: Solid and hazardous waste

SPONSOR(S): Representative Eggelletion

COMPANION BILL(S): SB 1142(s)

ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:

- (1) Environmental Protection
 - (2) Business Development & International Trade
 - (3) General Government Appropriations
 - (4)
 - (5)
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I. SUMMARY:

This bill provides that the Department of Environmental Protection (department) is to administer \$300,000 from the Solid Waste Management Trust Fund (Fund), on an annual basis, to Southern Waste Exchange, Inc., (SWIX), a not-for-profit corporation. This funding is to ensure that waste management assistance is provided to private businesses and industries on a continuing basis and that Florida's statutory waste reduction and recycling goals are reached and maintained. Accordingly, SWIX must use this funding: to help small businesses comply with solid and hazardous waste management requirements; to maintain and expand a waste exchange service; to assist businesses with their waste reduction and minimization methods; and to help Florida businesses and industries reduce their waste management costs.

See "Fiscal Analysis & Economic Impact Statement" herein for the fiscal impact of this bill.

This bill provides that the act shall take effect on July 1, 1999.

II. SUBSTANTIVE ANALYSIS:

A. PRESENT SITUATION:

The Florida Legislature granted authority to the Department of Environmental Protection to develop and implement a state solid waste management program. Pursuant to s. 403.705(1), F.S., the state solid waste program shall:

- create guidelines for collection, transportation, storage, recovery, recycling and disposal of solid waste;
- encourage coordinated local activity for solid waste management;
- investigate and provide proposals to correct deficiencies in solid waste management processes;
- provide assistance to local governments and state agencies for reduction, recycling, reuse and processing of solid waste;
- assist in developing solid waste reduction and recycling programs; and
- educate the general public and train waste management professionals to reduce the production of solid waste as well as encourage recycling. Fla. Stat. §403.705(1).

It is a goal of the state to promote recycling and reuse of solid and hazardous waste. Therefore, the department also provides assistance to develop and implement recycling programs. Each county has a recycling program. At a minimum, the recycling programs must recover: 1) newspaper; 2) aluminum cans; 3) steel cans; 4) glass; and 5) plastic bottles from the solid waste stream prior to final disposal. A county's recycling program must sufficiently reduce waste within its boundaries in order to meet the statutory reduction goal. According to section 403.706(4), F.S., solid waste was to be reduced by at least 30 percent by the end of 1994, a goal which has been exceeded according to DEP statistics.

The statute grants the department the power and duty, and in fact, *encourages* the department to contract with private industries or the State University System in order to implement a solid waste management program and other activities which may be necessary, desirable or convenient.

Southern Waste Information Exchange, Inc., (SWIX), is a separate not-for-profit corporation and not a part of Florida's solid waste management program. According to SWIX, its objective is to provide information to the public and private sectors which facilitates the exchange of solid and hazardous waste material. SWIX also provides a list of waste management services (e.g., recycling, collection and transportation) which can be used by waste generators and managers.

SWIX contends that 84,256 tons of waste materials were recycled or reused in 1998 as a result of its program. SWIX further asserts that during 1998 this program saved the public and private sector approximately \$6,672,671 in waste disposal costs. The cost-benefit ratio of this program is 1:30; for every one dollar spent by the state on this program, \$30 were saved by reducing disposal costs. In 1998, SWIX was granted funding from the Solid Waste Management Trust Fund (Fund) for the first time in the amount of \$300,000 to operate its program. The Executive Budget provides for another \$300,000 allocation from the Fund to SWIX for the 1999 - 2000 fiscal year. According to this bill, SWIX will be appropriated \$300,000 from the Fund on an annual basis in the future.

The Solid Waste Management Trust Fund was created under s. 403.709, F.S., to be administered by the Department of Environmental Protection **for the purpose of:**

- Funding solid waste activities of the department;
- Making grants and awards to local governments as provided by the statute;

- Providing funding for research, demonstration and training by state universities and other organizations that can reasonably demonstrate the capability to carry out such projects as market development for recycled materials, composting techniques and use, and plastic materials.

The department contends that SWIX meets one or more of the Fund's requirements and therefore qualifies for annual funding.

B. EFFECT OF PROPOSED CHANGES:

This bill recognizes the need for statewide management assistance to private businesses and industries in Florida regarding solid and hazardous waste. As such, this bill provides that the department must make \$300,000 available annually from the Solid Waste Management Trust Fund to Southern Waste Information, Inc.

This funding is to ensure that waste management assistance is provided to private businesses and industries on a continuing basis and that Florida's mandatory waste reduction and recycling goals, as stated in s. 403.706(2)(b) and (4), F.S., are reached and maintained. Section 403.706(2)(b), F.S., states that each county must initiate a recycling program which recovers a majority of the newspaper, aluminum cans, steel cans, glass etc. from the waste stream prior to final disposal. Although, this bill does not initiate a recycling program on behalf of the county, it provides for a waste exchange service which may reduce recyclable materials from the waste stream prior to final disposal at the waste facility. This may, in effect, reduce the amount of final waste disposal and facilitate the county in reaching its waste reduction goals as mandated under s. 403.706(4), F.S.

Accordingly, this bill provides that SWIX must specifically use this funding to:

- assist small businesses and industries in complying with solid and hazardous waste management requirements;
- maintain and expand a waste exchange service;
- provide technical assistance on waste reduction and minimization methods; and
- help Florida businesses and industries in reducing their waste management costs.

This bill provides for an effective date of July 1, 1999.

C. APPLICATION OF PRINCIPLES:

1. Less Government:

a. Does the bill create, increase or reduce, either directly or indirectly:

(1) any authority to make rules or adjudicate disputes?

No.

(2) any new responsibilities, obligations or work for other governmental or private organizations or individuals?

No.

(3) any entitlement to a government service or benefit?

No.

- b. If an agency or program is eliminated or reduced:

An agency is not eliminated or reduced.

- (1) what responsibilities, costs and powers are passed on to another program, agency, level of government, or private entity?

N/A

- (2) what is the cost of such responsibility at the new level/agency?

N/A

- (3) how is the new agency accountable to the people governed?

N/A

2. Lower Taxes:

- a. Does the bill increase anyone's taxes?

No.

- b. Does the bill require or authorize an increase in any fees?

No.

- c. Does the bill reduce total taxes, both rates and revenues?

No.

- d. Does the bill reduce total fees, both rates and revenues?

No.

- e. Does the bill authorize any fee or tax increase by any local government?

No.

3. Personal Responsibility:

- a. Does the bill reduce or eliminate an entitlement to government services or subsidy?

No.

- b. Do the beneficiaries of the legislation directly pay any portion of the cost of implementation and operation?

No.

4. Individual Freedom:

- a. Does the bill increase the allowable options of individuals or private organizations/associations to conduct their own affairs?

No.

- b. Does the bill prohibit, or create new government interference with, any presently lawful activity?

No.

5. Family Empowerment:

- a. If the bill purports to provide services to families or children:

This bill does not purport to provide services to families or children.

- (1) Who evaluates the family's needs?

N/A

- (2) Who makes the decisions?

N/A

- (3) Are private alternatives permitted?

N/A

- (4) Are families required to participate in a program?

N/A

- (5) Are families penalized for not participating in a program?

N/A

- b. Does the bill directly affect the legal rights and obligations between family members?

No.

- c. If the bill creates or changes a program providing services to families or children, in which of the following does the bill vest control of the program, either through direct participation or appointment authority:

This bill does not create or change a program providing services to families or children.

- (1) parents and guardians?

N/A

- (2) service providers?

N/A

- (3) government employees/agencies?

N/A

D. STATUTE(S) AFFECTED:

None. Upon its effective date, this bill will become Chapter Law and not a part of the statutes.

E. SECTION-BY-SECTION ANALYSIS:

See "Effects of Proposed Changes" herein.

III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:

1. Non-recurring Effects:

None.

2. Recurring Effects:

The Department of Environmental Protection will make available \$300,000 from the Solid Waste Management Trust Fund to Southern Waste Information Exchange, Inc., on an annual basis.

3. Long Run Effects Other Than Normal Growth:

State agencies may incur a savings by participating in a waste exchange service instead of disposing of waste materials. SWIX contends that in 1998, private and public sectors saved disposal costs of approximately \$6,672,671.

4. Total Revenues and Expenditures:

Expenditures of \$300,000 from the Solid Waste Management Trust Fund.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:

1. Non-recurring Effects:

None.

2. Recurring Effects:

See Fiscal Impact on State Agencies/State Funds herein. In addition, revenues at landfills may decrease as the result of less waste being disposed and more waste being exchanged.

3. Long Run Effects Other Than Normal Growth:

Local governments may incur a savings by participating in the waste exchange service. By exchanging waste materials, the local governments would reduce their waste disposal costs incurred at landfills. In addition, revenues of the landfills may decrease as the result of less waste being disposed.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

1. Direct Private Sector Costs:

None.

2. Direct Private Sector Benefits:

SWIX contends that in 1998 private and public sectors combined saved an estimated \$6,672,671 in waste disposal costs.

3. Effects on Competition, Private Enterprise and Employment Markets:

None.

D. FISCAL COMMENTS:

None.

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

This bill does not require counties or municipalities to spend funds or to take an action requiring the expenditure of funds.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

This bill does not reduce the authority that municipalities or counties have to raise revenues in the aggregate.

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

This bill does not reduce the percentage of a state tax shared with counties or municipalities.

V. COMMENTS:

None.

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

N/A

VII. SIGNATURES:

COMMITTEE ON ENVIRONMENTAL PROTECTION:

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