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DATE: April 10, 1999

**HOUSE OF REPRESENTATIVES
AS FURTHER REVISED BY THE COMMITTEE ON
GENERAL GOVERNMENT APPROPRIATIONS
ANALYSIS**

BILL #: HB 779

RELATING TO: Solid and hazardous waste

SPONSOR(S): Representative Eggelletion

COMPANION BILL(S): SB 1142(s) by Senator Bronson

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

- (1) ENVIRONMENTAL PROTECTION YEAS 7 NAYS 4
 - (2) BUSINESS DEVELOPMENT & INTERNATIONAL TRADE YEAS 6 NAYS 0
 - (3) GENERAL GOVERNMENT APPROPRIATIONS YEAS 11 NAYS 0
 - (4)
 - (5)
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I. SUMMARY:

This bill directs the Department of Environmental Protection to make \$300,000 annually available from the Solid Waste Management Trust Fund to the Solid Waste Management Exchange, Inc., (SWIX). The funds are to be used to assist private businesses and industries in complying with solid and hazardous waste management requirements and attaining mandatory waste reduction and recycling goals. Specifically, SWIX must use the 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 does not address the issue of rulemaking.

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

See Section IV Amendments or Committee Substitute Changes for a description of "strike-all" amendment adopted by the Committee on Environmental Protection.

II. SUBSTANTIVE ANALYSIS:

A. PRESENT SITUATION:

The Florida Legislature granted authority to the Department of Environmental Protection (DEP) 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 the 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.

The DEP is charged with promoting the recycling and reuse of solid and hazardous waste in the state. Specifically, the DEP is directed to provide assistance to the counties in developing and implementing recycling programs. At a minimum, the recycling programs must be designed to recover a majority of the newspapers, aluminum cans, steel cans, glass and plastic bottles from the solid waste stream prior to final disposal at a solid waste disposal facility and to offer these materials for recycling. 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. The statutes provide certain criteria to determine whether the counties achieved this goal.

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 in s. 403.7095, F.S.;
- Providing funding for research, demonstration, and training by state universities and other organizations that can reasonably demonstrate the capability to carry out such projects.

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 \$300,000 from the Solid Waste Management Trust Fund (Fund) to operate its program.

The statutes grant the DEP the power 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. 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 provides that the DEP must make \$300,000 available annually from the Solid Waste Management Trust Fund to Southern Waste Information, Inc., (SWIX), to assist small businesses and industries in complying with solid and hazardous waste management requirements, to maintain and expand a waste exchange service, to provide technical assistance on waste reduction and minimization methods, and to help Florida businesses and industries in reducing their waste management costs.

This bill provides 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 a Chapter Law.

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:

The bill directs 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:

On March 8, 1999, the Committee on Environmental Protection adopted a strike-everything amendment to HB 779. This amendment is different from HB 779 in that:

- it eliminates the specific sum of money and, instead, states that "an annual appropriation " must be made available from the Fund to SWIX.
- it deletes the provision in HB 779 which states that these funds are to be used by SWIX to ensure that Florida's mandatory waste reduction and recycling goals are reached. According to the department, these goals were achieved in 1994 and, therefore, this provision is not necessary.
- it provides that funds must be used by SWIX to maintain and expand a waste exchange service and other solid waste services as requested by the private sector, the department, and local governments.

This amendment eliminates the provision in HB 779 which states that SWIX is to use the funds specifically: to assist small businesses and industries in order to comply with solid and hazardous waste management requirements; to provide technical assistance on waste reduction and minimization methods; and to help Florida businesses and industries reduce their waste management costs.

The Committee subsequently passed HB 779 as amended.

VII. SIGNATURES:

COMMITTEE ON ENVIRONMENTAL PROTECTION:

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AS FURTHER REVISED BY THE COMMITTEE ON GENERAL GOVERNMENT APPROPRIATIONS:

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