

Department of Planning and Budget

2005 Fiscal Impact Statement

1. Bill Number HB 1760

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron Dillard

3. Committee Agriculture, Chesapeake and Natural Resources

4. Title Solid waste disposal fees

5. Summary/Purpose: The bill would establish a \$1 per ton municipal solid waste disposal fee to be collected by localities in which municipal solid waste landfills are located. Under the provisions of the bill, localities would retain 50 percent of the moneys collected for the abatement of pollution caused by landfills or the improper management of waste, groundwater monitoring and cleanup, litter control, recycling, or for other waste-related purposes, including solid waste management operating fees. Localities would remit the other 50 percent of the moneys collected to the Commonwealth to be deposited into the proposed Virginia Solid Waste Management and Clean-up Fund (50 percent) and the existing Water Quality Improvement Fund (50 percent).

The bill also would create the Virginia Solid Waste Management and Clean-up Fund to be used to provide grants to localities and political subdivisions that provide solid waste management services for the proper final closure of landfills that are owned by local governments or political subdivisions, or that are within the locality and have been abandoned and are not equipped with liner and leachate control systems meeting regulatory requirements. The Fund also could be used to provide grants to localities and political subdivisions that provide solid waste management services to develop and implement solid waste recycling and waste reduction programs.

The bill would require the Department of Environmental Quality to prepare an annual report detailing the disbursements made to local governments and political subdivisions, the purposes of the disbursements, and the local benefits provided by the disbursement. The bill also would require that every five years the Department prepare an extended report including an aggregate evaluation of all local solid waste plans, including state-wide recycling rates and waste disposal rates, and develop recommendations for increased waste reduction measures, recycling programs, and better solid waste management. The first annual report would be due no later than November 1, 2006.

6. Fiscal impact: According to the Department of Environmental Quality, the proposed fee would generate approximately \$13.9 million annually (based on the amount of waste landfilled in 2003). Of this amount, \$6.95 million (50 percent) would be retained by localities and the other \$6.95 million (50 percent) would be deposited to the Virginia Solid Waste Management and Clean-up Fund (\$3.475 million) and the Water Quality Improvement Fund (\$3.475 million).

According to the Department of Environmental Quality, costs associated with the annual report could be funded from existing resources. The extended report, however, may result in additional costs every five years.

- 7. Budget amendment necessary:** Yes (Items 382 and 388).
- 8. Fiscal implications:** See Item 6.
- 9. Specific agency or political subdivisions affected:** Department of Environmental Quality; Department of Conservation and Recreation; all localities with municipal solid waste landfills.
- 10. Technical amendment necessary:** Yes. Line 24, insert "in" after "remaining."
- 11. Other comments:** None.

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cc: Secretary of Natural Resources