

Department of Planning and Budget 2008 Fiscal Impact Statement

1. Bill Number: HB1533

House of Origin X Introduced Substitute Engrossed
Second House In Committee Substitute Enrolled

2. Patron: Plum

3. Committee: Agriculture, Chesapeake, and Natural Resources

4. Title: Television recycling programs; manufacturer fees; disposal ban.

5. Summary: The bill bans the disposal of covered televisions and component parts as solid waste effective January 1, 2009. The bill requires manufacturers of televisions covered by the act to pay a \$5,000 per year state registration fee and report to the Department of Environmental Quality on the weight, in pounds, of televisions sold in the Commonwealth. The department will use the fees collected to provide reimbursements to localities implementing television recycling programs in compliance with criteria established by the department. If a locality does not implement a television recycling program, the department shall initiate a program for residents in that locality. Both the department and the Office of the Attorney General have authority to enforce the provisions of this act.

6. Fiscal Impact Estimates: Preliminary.

6a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2009	\$253,791	3.0	nongeneral
2010	\$1,325,791	3.0	nongeneral
2011	1,392,081	3.0	nongeneral
2012	\$1,461,685	3.0	nongeneral
2013	\$1,534,769	3.0	nongeneral

6b. Revenue Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Fund</i>
2009	\$115,000	nongeneral
2010	\$1,464,582	nongeneral
2011	\$1,392,081	nongeneral
2012	\$1,461,685	nongeneral
2013	\$1,534,769	nongeneral

7. Budget Amendment Necessary: Yes, Items 365 and 368 of House Bill 30.

8. Fiscal Implications:

Revenue

The Department of Environmental Quality estimates that the required registration fee of \$5,000 will be submitted by 23 manufacturers in FY 2009. It is assumed in the revenue estimates above that the administrative costs in excess of the registration revenue in FY 2009 will be billed in FY 2010. Subsequent fiscal years assume that the cost of the recycling program is matched by registration and recycling program billings. The bill does not include a funding provision in the event that receipts are insufficient to support the cost of the recycling program, other than enforcement provisions. The revenue estimate does not include civil penalties, as the revenue may not be projected at this time.

Expenditures

According to the Department of Environmental Quality, the bill will require three positions, one financial services specialist (pay band 4), one environmental manager (pay band 5) and one environmental specialist (pay band 5), at a cost of \$223,791. Other support costs are anticipated to cost \$30,000 annually (\$10,000 per person).

There is no definitive basis to project the cost of the recycling program. Smaller, similar pilot projects have been initiated by the department with costs averaging \$8,000 per locality. Multiplying that cost by 134 localities would require \$1,072,000 annually for contractual services and local government reimbursement payments, beginning in FY 2010. These costs will have a significant transportation component, and can be expected to increase by five percent annually.

9. Specific Agency or Political Subdivisions Affected: Department of Environmental Quality, localities.

10. Technical Amendment Necessary: No.

11. Other Comments: None.

Date: 1/30/2008 dpbkbs

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cc: Secretary of Natural Resources