

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 941 - HB 945

March 6, 2013

SUMMARY OF BILL: Prohibits the disposal of plastic bottles and aluminum cans in landfills. Declares that the occasional or accidental disposal of small amounts will not be construed as a violation. Authorizes a local government entity to petition the Commissioner of the Tennessee Department of Environment and Conservation (TDEC) for a waiver of the prohibition, if the prohibition places an economic hardship upon the local government entity.

ESTIMATED FISCAL IMPACT:

**Increase State Revenue - \$15,000/One-Time/Solid Waste Management Fund
\$45,000/Recurring/Solid Waste Management Fund**

**Decrease State Revenue – \$512,500/Solid Waste Management Fund
\$199,300/Environmental Protection Fund**

Assumptions:

- TDEC estimates that 15 new solid waste processing facilities will be created as a result of this bill.
- There is a one-time application fee of \$1,000 and a \$3,000 annual fee for solid waste processing facilities. This will result in a one-time increase in state revenue of \$15,000 and a recurring increase in state revenue of \$45,000; both to the Solid Waste Management Fund.
- According to the 2011-2012 Annual Report to the Governor, 5,840,671 tons of municipal solid waste went to Class I landfills in the state.
- According to the Environmental Protection Agency (EPA), 12 percent of municipal solid waste is made up of plastic and one percent is made up of aluminum.
- It is assumed that 75% of the plastic and aluminum currently going into landfills will be diverted for recycling as a result of this bill. Therefore, a reduction of 569,465 tons of plastic and aluminum (5,840,671 x 13% x 75%) in Tennessee landfills.
- There is a solid waste tipping fee of \$0.90 per ton of waste disposed in landfills. As a result, there will be a recurring decrease in state revenue of \$512,519 (569,465 x \$0.90) to the Solid Waste Management Fund.

- There is a solid waste tipping fee of \$0.35 per ton of waste disposed in landfills. As a result, there will be a recurring decrease in state revenue of \$199,313 (569,465 x \$0.35) to the Environmental Protection Fund.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

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