

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0636-04
Bill No.: Truly Agreed to and Finally Passed SCS for SB 170
Subject: Fees, Waste - Hazardous, Business and Commerce
Type: Original
Date: May 16, 2005

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Dry Cleaning Environmental Response Trust Fund	(\$87,600)	(\$87,600)	(\$87,600)
Total Estimated Net Effect on Other State Funds	(\$87,600)	(\$87,600)	(\$87,600)

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials with the **State Treasurer's Office** assume no fiscal impact to their agency.

Officials with the **Department of Natural Resources** assume current law directs the department to administer the Drycleaner Program through August 28, 2007. The proposed legislation adds 260.965 RSMo extending the expiration date to August 28, 2012 resulting in an additional five years of overseeing the program with the associated operating costs. The costs associated with the proposed extension would result in a continuation of existing costs and could not result in a request for additional resources beyond the original anticipated need.

This proposed legislation would also extend the date for the Hazardous Waste Management Commission to promulgate and adopt rules from July 1, 2002 to July 1, 2007. This provision would not result in additional fiscal impact for the department.

This proposal would also extend the period from July 1, 2004 to July 1, 2009 in which persons may notify the department of abandoned drycleaner facilities. Persons contacting the department may be eligible for corrective action funds from the Drycleaner Environmental Response Trust Fund. The department is unable to determine how many more persons would notify the department and choose to apply for funding, therefore fiscal impact from this change is unknown but cannot exceed corrective action funds available.

ASSUMPTION (continued)

This proposal removes the drycleaning environmental response registration surcharge on drycleaning facilities using non-chlorinated solvents and the solvent surcharge on suppliers of non-chlorinated solvents. The department estimates approximately 12% of current revenues are received from the users and suppliers of non-chlorinated solvents resulting in a decrease in revenues of approximately \$87,600 annually. The DNR projects expenditures will remain the same.

This proposal to extend the expiration date of the Drycleaner Program will generate about \$642,400 annually into the Drycleaner Environmental Response Trust Fund. The department assumes the revenue will be used to fund continued investigation, assessment and remediation for releases of solvents from drycleaning facilities.

This proposal contains an emergency clause stating that the proposal will become effective upon final passage and approval.

<u>FISCAL IMPACT - State Government</u>	FY 2006	FY 2007	FY 2008
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**DRY CLEANING
 ENVIRONMENTAL RESPONSE
 TRUST FUND**

Cost - Department of Natural Resources

Elimination of surcharge on non-chlorinated solvents	<u>(\$87,600)</u>	<u>(\$87,600)</u>	<u>(\$87,600)</u>
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**NET EFFECT ON DRY CLEANING
 ENVIRONMENTAL RESPONSE
 TRUST FUND**

	<u>(\$87,600)</u>	<u>(\$87,600)</u>	<u>(\$87,600)</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

Dry cleaning facilities will continue to operate under current statutes and pay applicable registration fees. Solvent suppliers will continue to pay a surcharge on the amount of solvents supplied to drycleaning facilities. However, the fees assessed on non-chlorinated solvents are eliminated in this proposal.

DESCRIPTION

This act pertains to hazardous waste, in particular, the Dry Cleaning Emergency Response Trust Fund (DERT).

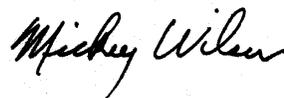
The act extends the operation of the DERT Fund to 2012. The act directs the Hazardous Waste Management Commission to promulgate rules to carry out the provisions of the act no later than July 1, 2007. The act exempts dry-cleaners who use non-chlorinated solvents from the operation of the program.

The bill contains an emergency clause.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Natural Resources
State Treasurer's Office



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