

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 6560S.06C
 Bill No.: SCS for SB 1586
 Subject: Department of Natural Resources; Waste - Solid
 Type: Original
 Date: March 10, 2026

Bill Summary: This proposal modifies provisions relating to solid waste management.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Solid Waste Management Fund (1570)*	\$265,366 or \$3,068,354	\$255,053 or \$3,058,041	\$252,550 or \$3,055,538
Total Estimated Net Effect on <u>Other</u> State Funds	\$265,366 or \$3,068,354	\$255,053 or \$3,058,041	\$252,550 or \$3,055,538

*Oversight notes DNR is uncertain how the calculation for the distribution of grants language is to be interpreted. Therefore, Oversight will show the potential impact of both assumptions as an "OR" in the fiscal note.

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Solid Waste Management Fund (1570)	1 FTE	1 FTE	1 FTE
Total Estimated Net Effect on FTE	1 FTE	1 FTE	1 FTE

- Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Local Government	(Unknown)	\$0*	\$0*

***Oversight** assumes the revenue loss and operational savings net to zero from dissolving the solid waste management districts.

FISCAL ANALYSIS

ASSUMPTION

§§260.200, 260.213, 260.324, 260.330, 260.335, and 260.336 – Solid Waste Management

Officials from the **Department of Natural Resources (DNR)** state the following:

§260.213

No person may knowingly sell, convey or transfer title to any property that contains a permitted or unpermitted solid waste disposal site or demolition landfill, without disclosing the sale, conveyance, or transfer to the department of natural resources. The seller shall inform the buyer early in the negotiation process about the existence and location of the disposal or landfill site.

Duties for this section include tracking and reviewing title transfers of permitted or unpermitted solid waste disposal sites or demolition landfills submitted to or researched by the department. Duties will involve extrapolating information from County Assessors, Department files, GIS services, etc.

It is estimated 320 hours per year and Environmental Program Analyst to perform these duties will be needed. The cost for the Environmental Program Analyst is estimated at an annual cost of \$11,354 (\$35.48 per hour - \$73,788 annually (\$67,080 base pay plus \$6,708 time of service pay), this does not include fringe, indirect, and expense and equipment costs. The department anticipates being able to absorb these costs. However, until the FY27 budget is final, the department cannot identify specific funding sources.

§260.330.1

After October 1, 2027, an annual adjustment shall be based on the percentage increase measured by the Consumer Price Index for All Urban Consumers for the United States, or its successor index, as defined and officially recorded by the United States Department of Labor or its successor agency, for the preceding year.

Sanitary Landfills: Current fee is \$2.11 per ton, an increase measured by the Consumer Price Index for All Urban Consumers would increase approximately \$0.06 based on last year's CPI. However, the consumer price index is based on inflation and is unknown at this time. An increase to \$2.17 per ton would increase annual revenue approximately \$270,712. Based on average Tons between FY22 – FY25 (4,603,949).

Demolition Landfills: Current fee is \$1.40 per ton, an increase measured by the Consumer Price Index for All Urban Consumers would increase the fee to \$0.04. However, the consumer price index is based on inflation and is unknown at this time. An increase to \$1.44 per ton would increase annual revenue approximately \$3,978. Based on average Tons between FY22 – FY25 (101,470).

Current:

	Fee Amount	Average Per Ton	Multiplier	Total Revenue
Sanitary Landfills	\$2.11	4,606,949.25	0.98	\$9,520,046.26
Demolition Landfills	\$1.40	101,469.50	0.98	\$139,216.15

Change:

	Fee Amount	Average Per Ton	Multiplier	Total Revenue
Sanitary Landfills	\$2.17	4,603,949.25	0.98	\$9,790,758.48
Demolition Landfills	\$1.44	101,469.50	0.98	\$143,193.76

*Multiplier per 10 CSR 80 - 2.080 (3) (A) 3. allows Sanitary Landfills, Demolition Landfills, and Transfer stations keep 2% of fee as collection costs.

§260.330.5

After October 1, 2027, an annual adjustment shall be based on the percentage increase measured by the Consumer Price Index for All Urban Consumers for the United States, or its successor index, as defined and officially recorded by the United States Department of Labor or its successor agency, for the preceding year.

Transfer Stations - Current fee is \$2.11 per ton, an increase to 2.17 per ton would increase annual revenue approximately \$105,555. Based on average Tons between FY22 – FY25 (1,795,157). Currently there are 30 transfer stations that take some or all of their waste out of the state for disposal. An increase measured by the Consumer Price Index for All Urban Consumers would increase approximately \$0.06 based on last year’s CPI. However, the consumer price index is based on inflation and is unknown at this time.

	Fee Amount	Average Per Ton	Multiplier	Total Revenue
Transfer Station (current)	\$2.11	1,795,157.25	0.98	\$3,712,026.16
Transfer Station (change)	\$2.17	1,795,157.25	.098	\$3,817,581.41

Oversight does not have any information to the contrary. Therefore, Oversight will reflect the revenue from the increase of fees as more or less than the estimated impact by DNR for Transfer Stations of \$270,712, Demolition Landfills of \$3,978 and Sanitary Landfills of \$105,555 in the fiscal note.

§260.335.1

DNR notes the department shall have the authority to assess, investigate, test, remediate, and manage abandoned solid waste disposal areas. For purposes of this section, "abandoned" means that a legally responsible person for the site cannot be identified, located, or was determined to be financially insolvent by the department.

The minimum number of FTE and corresponding classification includes: (1) Environmental

Program Analyst at \$73,788 annually (\$67,080 base pay plus \$6,708 time of service pay), this does not include fringe, indirect, and expense and equipment costs. Duties will include management of abandoned solid waste disposal areas such as grant application review for the remediation project proposals (this includes reviewing the complex portion of the grants to make sure the scope is what is required of the remediation requirements), invoices (this includes reviewing the invoice, verifying the work was completed, and the work falls within the grant budget), and investigation and assessment of abandoned solid waste disposal areas.

For 30 sites, the department can currently absorb the enforcement duties with 1 FTE as an Environmental Program Analyst. It is estimated 2,080 hours per year would be needed to oversee assessment, investigation, testing, remediation, and management of the 30 abandoned solid waste disposal areas. It is estimated at \$73,788 annually (\$67,080 base pay plus \$6,708 time of service pay), this does not include fringe, indirect, and expense and equipment costs. The department anticipates being able to absorb these costs. However, until the FY27 budget is final, the department cannot identify specific funding sources.

If the number of unknown sites increases, then the department would need an additional FTE to complete the enforcement duties of additional investigation and assessment.

The department anticipates needing an Associate Engineer at an estimated 320 hours annually for a total annual cost of \$13,296 annually (\$41.55 per hour - \$86,434 annually (\$78,576 base pay plus \$7,858 time of service pay)) (does not include fringe, indirect, and expense and equipment costs) to conduct the engineering review of the remediation plans of the abandoned solid waste disposal areas grants. The department anticipates being able to absorb these costs. However, until the FY27 budget is final, the department cannot identify specific funding sources.

If the department remediates the sites directly, the department will need to hire additional FTE as project managers to oversee the sites along with the additional cost associated with procurement.

§260.335.2(1)

The department shall allocate a percentage of revenue dedicated to grants previously managed by solid waste management districts. This percentage shall serve as a minimum percentage of revenue to fund such grants and shall be calculated as follows: the total grant amount previously administered by solid waste management districts for the previous three fiscal years divided by the total amount of solid waste tonnage fees from the previous three fiscal years. Revenues to be allocated under this subdivision shall be divided as follows: forty percent shall be allocated based on the population within the geographical area of each regional office of the department in the latest decennial census, and sixty percent shall be allocated based on the amount of revenue generated within the geographical area of each regional office of the department. For the purposes of this subdivision, revenue generated within each geographical area of each regional office of the department shall be determined from the previous year's data.

Moneys shall be awarded based upon grant applications. The following criteria may be considered to establish the order of grant priority:

(a) Grants to facilities of organizations employing individuals with disabilities under sections 178.900 to 178.960 or sections 205.968 to 205.972;

(b) Grants for proposals which provide methods of recycling and solid waste reduction; and

(c) All other grants. Any allocated moneys remaining in any fiscal year due to insufficient or inadequate grant applications shall be reallocated for grant applications in subsequent years or for department operations, including investigation and remediation work.

(2) Any remaining revenue not included in the calculation under subdivision of (1) of this subsection shall be dedicated, upon appropriation, to the elimination of illegal solid waste disposal, to identify and prosecute persons disposing of solid waste illegally, to conduct solid waste permitting activities, to administer grants and perform other duties imposed in sections 260.200 to [260.345] 260.335, and section 260.432.

It is estimated 2,080 hours each for an Accountant and Senior Program Specialist will be needed for grant management. The accountant is estimated at \$73,788 annually (\$67,080 base pay plus \$6,708 time of service pay), this does not include fringe, indirect, and expense and equipment costs. The Senior Program Specialist is estimated at \$73,788 annually (\$67,080 base pay plus \$6,708 time of service pay), this does not include fringe, indirect, and expense and equipment costs. The department anticipates being able to absorb these costs. However, until the FY27 budget is final, the department cannot identify specific funding sources.

Below are assumptions made based on 2022-2024 revenue and grants awarded, the department did not use 2025 grants awarded because the largest District has not submitted their grants to the department for 2025 so it is unclear how much they have awarded.

Assuming the calculation refers only to City County grants awarded the calculations are as follows:

	City/County Awards	Revenue	Percentage
2022-2024	\$17,224,031.83	\$42,754,998.94	40%

The breakdown below identifies

2022-2024	
Average Total Revenue	\$14,241,662.98
Grants	\$5,748,010.61
EIERA	\$800,000
Department	\$7,703,652.37

The department needs \$6,543,329.00 for operational cost in FY27, leaving approximately \$1,160,323.37 for the remediation fund.

Assuming the calculation refers to City/County, District Operations, and Plan Implementation calculations are as follows:

All Awards Revenue Percentage

	All Awards	Revenue	Percentage
2022-2024	\$25,658,139.67	\$42,754,998.94	60%

The breakdown below identifies

2022-2024	
Average Total Revenue	\$14,241,662.98
Grants	\$8,550,997.79
EIERA	\$800,000
Department	\$4,900,665.19

The department needs \$6,543,329.00 for operational cost in FY27, putting the department in a deficit of \$1,642,663.81.

Oversight notes DNR is uncertain how the calculation for the distribution of grants language is to be interpreted. Therefore, Oversight will show the potential impact of both assumptions as an “OR” in the fiscal note.

Oversight notes EIERA is the Environmental Improvement & Energy Resources Authority which is empowered to support Missouri communities, organizations, and businesses with environmental and energy solutions through finance, research and technical assistance.

260.335. 3.

DNR shall promulgate criteria for evaluating grants by rule and regulation. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2026, shall be invalid and void.

The department estimates needing an Environmental Program Analyst at an estimated 1,000 hours one time cost for rule development. It is estimated at \$35,480 - (\$35.48 per hour \$73,788 (\$67,080 base pay plus \$6,708 time of service pay)), this does not include fringe, indirect, and expense and equipment costs. The department anticipates being able to absorb these costs. However, until the FY27 budget is final, the department cannot identify specific funding sources.

DNR Summary of Impact:

260.213

320 hours per year at an Environmental Program Analyst to perform these duties will be needed. The cost for the Environmental Program Analyst is estimated at an annual cost of \$11,354 (\$35.48 per hour - \$73,788 annually (\$67,080 base pay plus \$6,708 time of service pay)), this does not include fringe, indirect, and expense and equipment costs. The department anticipates being able to absorb these costs. However, until the FY27 budget is final, the department cannot identify specific funding sources.

260.335.1

The minimum number of FTE and corresponding classification includes: (1) Environmental Program Analyst to manage remediation grants. It is estimated at \$73,788* annually (\$67,080 base pay plus \$6,708 time of service pay)

*associated fringe and indirect costs are not included. See Fund Summary for the expense and equipment costs.

2,080 hours per year at an Environmental Program Analyst would be needed to oversee assessment, investigation, testing, remediation, and management of the 30 abandoned solid waste disposal areas. It is estimated at \$73,788 annually (\$67,080 base pay plus \$6,708 time of service pay)), this does not include fringe, indirect, and expense and equipment costs. The department anticipates being able to absorb these costs. However, until the FY27 budget is final, the department cannot identify specific funding sources.

Associate Engineer at an estimated 320 hours annually for a total annual cost of \$13,296 annually (\$41.55 per hour - \$86,434 annually (\$78,576 base pay plus \$7,858 time of service pay)) (does not include fringe, indirect, ad expense and equipment costs) to conduct the engineering review of the remediation plans of the abandoned solid waste disposal areas grants. The department anticipates being able to absorb these costs. However, until the FY27 budget is final, the department cannot identify specific funding sources.

260.335.2

2,080 hours each annually at an Accountant and Senior Program Specialist will be needed for grant management. The accountant is estimated at \$73,788 annually (\$67,080 base pay plus \$6,708 time of service pay), this does not include fringe, indirect, and expense and equipment costs. The Senior Program Specialist is estimated at \$73,788 annually (\$67,080 base pay plus \$6,708 time of service pay), this does not include fringe, indirect, and expense and equipment costs. The department anticipates being able to absorb these costs. However, until the FY27 budget is final, the department cannot identify specific funding sources.

260.335.3

1,000 hours one time cost at an Environmental Program Analyst would be needed for rule development. It is estimated at \$35,480 - (\$35.48 per hour \$73,788 (\$67,080 base pay plus

(\$6,708 time of service pay)), this does not include fringe, indirect, and expense and equipment costs. The department anticipates being able to absorb these costs. However, until the FY27 budget is final, the department cannot identify specific funding sources.

Revenue Increase (\$380,245 Annually)

Approximately \$270,712 in Sanitary Landfill Fees Annually

Approximately \$3,978 in Demolition Landfill Fees Annually

Approximately \$105,555 in Transfer Station Fees Annually

The department estimates there would be a minimum of 1 FTE needed (Environmental Program Analyst) to implement the new provisions related to this proposed legislation. Additional Environmental Program Analyst and Associate Engineer FTE will be needed. The department anticipates being able to absorb the costs for the additional FTE. However, until the FY27 budget is final, the department cannot identify specific funding sources.

Oversight will show the cost for one FTE as noted by DNR.

§260.336 – Elimination of Solid Waste Management Districts

In response to a previous version, officials from **District A Northwest Missouri Solid Waste Management District** stated the following:

District Annual Allocation: \$95,000

Grant Funding:

The district currently provides a minimum of \$47,500 annually in grants to support rural recycling programs and sheltered workshops. Eliminating the district would remove this funding, potentially leading to staffing reductions and a decline in program capacity for these essential services.

Education and Outreach:

The district invests \$7,500 annually in dedicated education and outreach initiatives. Additional outreach activities are conducted by the district planner as part of their regular duties. Eliminating the district would discontinue these programs, reducing public awareness, technical assistance, and support for waste reduction initiatives across the five-county service area.

Regional Impact:

The loss of grant funding and education services would affect all five counties served by the district. Local recycling programs, waste reduction initiatives, and sheltered workshops that rely on district support will face significant operational challenges. Importantly, District A provides the **only** Household Hazardous Waste (HHW) services in the five-county area at no cost to its residents, and elimination would result in the complete loss of access to these critical services.

Revenue and Cost Offsets:

There are no dedicated fees, taxes, or other revenue sources available to offset the loss of district funding and services. As a result, eliminating the district would cause a net reduction in resources for solid waste management, recycling programs, and public education.

In response to a previous version, officials from **District B North Missouri Solid Waste Management District (NMSWMD)** anticipated a loss of at least \$95,000 in revenue each year from 2027 onwards based on the following assumption that the 20 Solid Waste Districts in the state would be dissolved.

This loss would include:

- \$47,500 plus carry over in grants each year to cities, counties, and organizations that support recycling efforts. Their grants are awarded to Sheltered Workshops in their region that process the recycled materials in their district and to fund collection events for Household Hazardous Waste (paints, oils, pesticides, herbicides, cleaners, etc.), Electronics, appliances and scrap metal, batteries, and tires; and
- \$23,500.00 in administration costs which includes 2 part-time employees, whose positions would be eliminated, due to the districts being dissolved. Administration costs include day-to-day operations of the District including training, mileage, meetings, etc. and bond insurance and advertising for funding availability in 11 counties that are required by DNR; and
- \$24,000.00 in plan implementation funds are used to provide education and information on recycling, waste reduction, and composting; provide technical assistance to citizens, schools, businesses, and local governments; help with program implementation; provide local expertise in a large variety of subject areas; assist with regulatory compliance and reporting, provide financial resources to help with projects, and conduct recycling programs and special/banned items recycling events including household hazardous waste (paints, oils, pesticides, herbicides, cleaners, etc.), tires, appliances, batteries, and electronics. This effort has been very successful with the amount of funding that they receive.

The NMSWMD further stated that it is the largest district consisting of 11 counties in north central Missouri including Caldwell, Carroll, Chariton, Daviess, Grundy, Harrison, Linn, Livingston, Mercer, Putnam, and Sullivan.

The NMSWMD is a minimum funded district receiving \$95,000.00 per year. NMSWMD uses 50% of the funding for district operation and plan implementation and the other 50% is allocated to provide financial assistance to cities, counties, non-profits and other organizations that will develop new or improved programs that will reduce the generation of solid waste, or will create new markets or improve markets for recovered material, or will improve the handling of items banned from landfills by Missouri law.

Officials from **District D Recycling Solid Waste Management District** state that the district anticipates a loss of at least \$216,000 in revenue each year from 2027 onwards based on the following assumption: The Solid Waste Districts would be dissolved.

This loss would include:

- At least \$100,000 in grants each year to cities, counties, and organizations
- At least \$30,000 each year to support access for all District residents to two Region D semi-permanent Household Hazardous Waste Collection Centers

In response to similar legislation, HB 2761 (2026), officials from **District E Mid America Regional Council Solid Waste Management District (MARC)** stated that twenty districts were formed when Senate Bill 530 passed in 1990, which marked a major change in the management of solid waste in Missouri. The bill created a tax on landfills to build local infrastructure and to provide pathways for local communities to keep waste out of their landfills. Missouri has made significant progress since 1990 and is at the forefront of waste reduction and recycling efforts. Eliminating the districts would set the state back, and Missourians across the state would lose access to essential services.

The MARC Solid Waste Management District serves five counties and 48 cities in the Kansas City area. For over 30 years, the district has invested over \$15 million toward infrastructure dedicated to providing necessary services. The district convenes and facilitates partnerships with community leaders and members to advance best practices in solid waste management.

If the districts are eliminated, residents will not have a safe place to bring toxic materials for disposal. Additionally, RecycleSpot.org, a one-stop shop for information on recycling and disposal of household materials will go away. All other projects supported by the district will no longer receive support.

Allocated funds go toward strengthening their waste diversion infrastructure: The district has worked with partners to bring multiple services including a state-of-the-art facility for glass collection and processing for fiberglass insulation; a facility to salvage construction and demolition materials; a network of organizations that rescue food for feeding people. District funding brought Habitat ReStores to Kansas City area. Other important businesses have been supported such as electronic recycling and the region's only furniture bank.

Local cities and counties depend on the district to meet their responsibility in effective and efficient solid waste management. The district supports emerging entrepreneurs and contributes to significant economic activity in the Kansas City area. Since 1993, the district has funded over 100 companies and nonprofits

HB 2761 proposes eliminating the solid waste management districts. This would have a profound negative impact on their communities, including:

- More landfills will be needed because no one will be working to divert materials.

- There will be no Regional Household Hazardous Waste Collection Program.
- RecycleSpot.org and the telephone hotline will no longer be available
- Cities and counties will be required to develop their own solid waste plans.
- Work to bring product stewardship programs for paint and batteries would cease.
- Solid waste funds will be used to fund the MDNR to expand enforcement and regulations.

In response to a previous version, officials from **District F West Central Missouri Solid Waste Management District** anticipated a loss of at least \$575,000 in revenue each year from 2027 onwards based on the following assumption: The Solid Waste Districts would be dissolved.

This loss would include:

- Over \$287,500 in grants each year to cities, counties, sheltered workshops and organizations
- Over \$170,000 each year in support for member municipalities' Household Hazardous Waste & Community Cleanup & Recovery Events

In response to a previous version, officials from **District H Mid-Missouri Solid Waste Management District** anticipated a loss of at least \$430,000 in revenue each year from 2027 onwards based on the following assumption: The Solid Waste Districts would be dissolved.

This loss would include:

- Over \$275,000 in grants each year to cities, counties, and organizations
- Over \$50,000 each year in support for member municipalities' Household Hazardous Waste collections
- Over \$5,000 each year in support to municipalities and counties for right-of-way tire clean-ups

In response to similar legislation, HB 2761 (2026), officials from **District K Ozark Rivers Solid Waste Management District** stated that this bill will eliminate solid waste management districts (SWMD) & the programs & services they provide. District K will lose an estimated \$285,000 of annual tipping fee allocation each year, statewide districts will lose \$8.5 million, which is used for planning & implementation of projects dedicated to reducing the amount of trash being landfilled. These include special collections for tires, appliances & electronics; satellite collection centers for household hazardous waste; volunteer-based illegal dump cleanup & monitoring; helping counties recycle illegally dumped tires collected on county roads; education & awareness programs for the public & school children; & technical assistance for reducing waste for local governments, schools, sheltered workshops, caring centers & businesses. The district administers a local grant program that has supported programs developed & implemented by these same entities.

District K has used state funds to leverage federal dollars with grants from EPA & USDA to further district goals. The SWMDs enable local tax dollars generated through the tipping fee to be returned to the region & used for local programs. Every district is different & each knows best what its needs are & how best to address those needs.

If funding is diverted to MDNR - small local programs that have a big impact at the local level will disappear. Tipping fees generated in rural districts will not return to benefit rural areas that are already disadvantaged & struggle with reducing waste going to landfills.

Strides made in establishing recycling, composting, reuse & waste reduction programs; cleaning up & eliminating illegal dumping; & diverting household hazardous materials from the waste stream will be lost - with no funding available to meet the needs of rural residents.

In response to similar legislation, HB 2761 (2026), officials from **District M Region M Solid Waste Management District** stated that the Region M Waste Management District anticipated a loss of at least \$600,000 in revenue each year from 2027 onwards based on the following assumption: The Solid Waste Districts would be dissolved.

This loss would include:

- Over \$500,000 in grants each year to cities, counties, and organizations
- Over \$70,000 each year in support for member HHW and electronics collections in rural areas where no affordable services are available
- Over \$8,000 each year in support to educational programs where funding is limited

In response to a previous version, officials from **District O Ozark Headwaters Recycling and Materials Management District Solid Waste Management District** stated that Solid Waste Management District O covers a region including Christian, Dallas, Greene, Polk and Webster Counties, with a population of approximately 475,000 people. Loss of district funding would create a burden on a variety of local programs, from recycling and waste reduction, to feeding hungry residents, and supporting non-profits in their missions. Many local entities and organizations would not be able to fill the gap left behind. The program has invested approximately \$8.8 million in their local community since inception.

Solid Waste Management District O anticipates a loss of at least \$530,000 in revenue each year from 2027 onwards based on the following assumption: The Solid Waste Districts would be dissolved.

This loss would include:

- At least \$350,000 in grants each year to cities, counties, and organizations
- At least \$40,000 each year to support access for all District residents to use the City of Springfield's Household Chemical Collection Center

In response to a previous version, officials from **District Q Ozark Foothills Regional Planning Commission Solid Waste Management District** stated that the district anticipates a loss of at least \$220,000 in revenue each year from 2027 onwards based on the following assumption: The Solid Waste Districts would be dissolved.

This loss would include:

- \$95,000 in grants each year to benefit cities, counties and organizations. Without these grant funds, they would be forced to close their recycle center, which is the only recycling center in the districts five-county Region.
- Over \$70,000 each year in recycling efforts in support of member municipalities deferring recyclables from the landfills. This is the yearly amount allocated each year from the Ozark Foothills Regional Planning Commission that operates the recycling center.
- Over \$125,000 in revenue each year obtained from the sale of recyclables collected from cities, counties, organizations and individuals.

In response to a previous version, officials from **District S Bootheel Regional Planning Commission Solid Waste Management District** stated that the district anticipates a loss of at least \$245,000 in revenue each year from 2027 onwards based on the following assumption: The Solid Waste Districts would be dissolved.

This loss would include:

- At least \$156,000 in grants each year to cities, counties, and organizations
- At least \$17,000 each year in support of municipalities, counties, and access for all District residents to E-Waste collection events
- At least \$6,000 each year in support of municipalities and counties for right-of-way tire clean-ups
- At least \$4,000 each year in support of recycling equipment repair and maintenance.

In response to similar legislation, HB 2761 (2026), officials from **District T Lake of the Ozarks Solid Waste Management District** stated that the district anticipated a loss of at least \$95,000 in revenue each year from 2027 onwards based on the following assumption: The Solid Waste Districts would be dissolved.

This loss would include:

- Over \$47,500 in grants each year to cities, counties, sheltered workshops and organizations

Oversight notes that §260.336.1(2) requires the dissolved solid waste management districts to remit any left-over monies to the Solid Waste Management Fund 1570.

Oversight assumes that the fund amounts that would be transferred to the Solid Waste Management Fund from the solid waste management districts after the completion of the final financial audit is unknown. For fiscal note purposes, Oversight will show an unknown transfer from the Solid Waste Management Districts to the Solid Waste Management Fund.

Oversight notes that the dissolution of the solid waste management districts will occur as of December 31, 2026.

Responses regarding the proposed legislation as a whole

Officials from the **Office of the State Treasurer** assume the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for this agency.

In response to a previous version, officials from the **Office of the State Courts Administrator** assume the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for this agency.

Oversight only reflects the responses that we have received from state agencies and political subdivisions; however, other solid waste management districts were requested to respond to this proposed legislation but did not. Upon the receipt of additional responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval to publish a new fiscal note. A general listing of political subdivisions included in our database is available upon request.

Rule Promulgation

Officials from the **Joint Committee on Administrative Rules** assume this proposal is not anticipated to cause a fiscal impact beyond its current appropriation.

In response to a previous version, officials from the **Office of the Secretary of State (SOS)** noted many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$5,000. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with its core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

<u>FISCAL IMPACT – State Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
SOLID WASTE MANAGEMENT FUND (1570)			
<u>Revenue Gain – DNR (§260.330)</u> Transfer station fee increase p.3-4	\$105,555	\$105,555	\$105,555
<u>Revenue Gain – DNR (§260.330)</u> Demolition landfill fee increase p.3-4	\$3,978	\$3,978	\$3,978
<u>Revenue Gain – DNR (§260.330)</u> Sanitary landfill fee increase p.3-4	\$270,712	\$270,712	\$270,712
<u>Savings – DNR (260.335) Funds no longer allocated to Solid Waste Management Districts p.14</u>	\$8,550,998	\$8,550,998	\$8,550,998
<u>Transfer In – From Solid Waste Management Districts (§260.336)</u> Remittance of leftover moneys p.9-15	Unknown	\$0	\$0
<u>Cost – DNR (§260.335) Expenditures, Grants, & Operations</u>	(\$5,748,010 or \$8,550,998)	(\$5,748,010 or \$8,550,998)	(\$5,748,010 or \$8,550,998)
<u>Cost – DNR (§260.335) p.4-5</u>			
Personal Service	(\$61,490)	(\$75,264)	(\$76,769)
Fringe Benefits	(\$37,029)	(\$45,324)	(\$46,230)
Equipment and Expense	(\$16,360)	(\$4,604)	(\$4,696)
<u>Total Costs - DNR</u>	<u>(\$114,879)</u>	<u>(\$125,192)</u>	<u>(\$127,695)</u>
FTE Change - DNR	1 FTE	1 FTE	1 FTE
ESTIMATED NET EFFECT ON SOLID WASTE MANAGEMENT FUND	\$265,366 or \$3,068,354	\$255,053 or \$3,058,041	\$252,550 or \$3,055,538
Estimated Net FTE Change to the Solid Waste Management Fund	1 FTE	1 FTE	1 FTE

<u>FISCAL IMPACT – Local Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
LOCAL POLITICAL SUBDIVISIONS			
<u>Transfer Out</u> – to Solid Waste Management Fund (§260.336.1(2)) Solid Waste Management Districts remittance of leftover moneys p.9-15	(Unknown)	\$0	\$0
<u>Revenue Loss</u> – Solid Waste Management Districts (§260.336) No longer receiving funds due to dissolution of districts	(Unknown)	(Unknown)	(Unknown)
<u>Savings</u> – Solid Waste Management Districts (§260.336) No longer performing duties due to dissolution of districts	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	<u>(Unknown)</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

There would be an fiscal impact due to an increase in cost on small businesses such as sanitary landfills, demolition landfills, and transfer stations as a result of this proposal.

FISCAL DESCRIPTION

The act modifies certain provisions relating to solid waste management.

Under the act, no person may transfer title to any property containing a solid waste disposal site or demolition landfill without disclosing the sale, conveyance, or transfer to the Department of Natural Resources. The seller shall inform the buyer with a written notice signed and dated by the seller about the existence and location of the disposal or landfill site. If the seller fails to send the written notice to the buyer, the buyer may cancel the sale and the seller shall return to the buyer any earnest money paid by the buyer to the seller.

The act provides that any person or entity that applies for a grant shall not be disqualified from receiving such grant on the basis that there is a familial relationship between the applicant and

any member of the Department, instead of the solid management district executive board as currently provided.

After October 1, 2027, an annual adjustment of fees collected for solid waste accepted shall be based on the percentage increase measured by the Consumer Price Index for All Urban Consumers for the preceding year.

The Department shall have the authority to assess, investigate, test, remediate, and manage abandoned solid waste disposal areas.

The Department shall allocate a percentage of revenue dedicated to grants previously managed by solid waste management districts. This percentage shall serve as a minimum percentage of revenue to fund such grants and shall be calculated as follows: the total grant amount previously administered by solid waste management districts for the previous three fiscal years divided by the total amount of solid waste tonnage fees from the previous three fiscal years. Such percentage of revenue shall be divided as follows: 40% shall be allocated based on the population within the geographical area of each regional office of the Department in the latest decennial census, and 60% shall be allocated based on the amount of revenue generated within each geographical area of each regional office of the Department. Revenue generated within each geographical area of each regional office of the Department shall be determined from the previous year's data. Moneys shall be awarded based upon grant applications.

The act repeals certain provisions relating to the distribution of the revenues.

Grants for proposals that will promote and maximize the sharing of district resources shall no longer be part of the criteria to establish the order of grant authority.

Any allocated moneys remaining in any fiscal year due to insufficient or inadequate grant applications shall be reallocated for grant applications in subsequent years or for Department operations, instead of solid waste management projects as provided in current law.

All remaining revenues not included in the calculation relating to the maintenance of essential grants, instead of 39% of the revenues as currently provided, shall be dedicated, upon appropriation, to the elimination of illegal solid waste disposal.

The act repeals certain provisions relating to any allocated district moneys remaining after five years. The act repeals a provision relating to sample audits of grants. The act repeals a provision relating to the criteria for allocation of grant moneys.

The act provides that the Department shall promulgate criteria for evaluating grants by rule and regulation.

The act further repeals certain provisions relating to funds awarded to solid waste management districts and grants approved by the solid waste management districts.

The act provides that the state solid waste management districts shall be dissolved effective August 28, 2026. By December 31, 2026, each solid waste management district shall: submit a final financial audit, remit any leftover moneys to the Solid Waste Management Fund, provide a list of open grants, and provide a complete itemized list of all grants awarded for the previous three fiscal years.

Effective August 28, 2026, the Department shall take over the oversight of open district grants.

The act repeals certain provisions relating to solid waste management regions, a Solid Waste Management Council, executive boards of solid waste management districts, and the Solid Waste Advisory Board.

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
Joint Committee on Administrative Rules
Office of the State Courts Administrator
Office of the State Treasurer
Office of the Secretary of State
District A Northwest Missouri Solid Waste Management District
District B North Missouri Solid Waste Management District
District D Recycling Solid Waste Management District
District E Mid America Regional Council Solid Waste Management District
District F West Central Missouri Solid Waste Management District
District H Mid-Missouri Solid Waste Management District
District K Ozark Rivers Solid Waste Management District
District M Region M Solid Waste Management District
District O Ozark Headwaters Recycling and Materials Management District Solid Waste Management District
District Q Ozark Foothills Regional Planning Commission Solid Waste Management District
District S Bootheel Regional Planning Commission Solid Waste Management District
District T Lake of the Ozarks Solid Waste Management District



Julie Morff
Director
March 10, 2026



Jessica Harris
Assistant Director
March 10, 2026