



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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Bill Number: H. 4644 Signed by Governor on May 3, 2018
Author: Dillard
Subject: Solid Waste Emergency Fund
Requestor: House of Representatives
RFA Analyst(s): A. Martin and Gardner
Impact Date: June 19, 2018

Estimate of Fiscal Impact

	FY 2018-19	FY 2019-20
State Expenditure		
General Fund	\$0	\$0
Other and Federal	\$0	\$0
Full-Time Equivalent Position(s)	0.00	0.00
State Revenue		
General Fund	\$0	\$0
Other and Federal	See Below	\$0
Local Expenditure	\$0	\$0
Local Revenue	\$0	\$0

Fiscal Impact Summary

This bill will have no expenditure impact on the General Fund, Other Funds, or Federal Funds, since the Department of Health and Environmental Control (DHEC) and the Office of the Attorney General will use existing staff and resources to permit facilities and to recover costs for expenditures made from the Solid Waste Emergency Fund.

This bill will reallocate \$260,100 of Other Funds revenue each year from the Solid Waste Management Trust Fund to the Solid Waste Emergency Fund until the emergency fund reaches \$1,500,000. This bill may increase Other Funds revenue because it allows DHEC and the Office of the Attorney General to recover costs for expenditures made from the Solid Waste Emergency Fund. Because the rate of recovery of these funds is unknown, the impact to Other Funds is undetermined.

Explanation of Fiscal Impact

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State Expenditure

Department of Health and Environmental Control. This bill creates the Solid Waste Emergency Fund, which will be administered by DHEC. This fund will be used to address a substantial release of any pollutant which may present an imminent danger. DHEC will be responsible for investigating waste management sites for the purpose of addressing emergency situations. In addition, this bill requires permits for facilities that recycle construction and demolition debris and provides for certain exemptions from this requirement.

DHEC reports that the activities required pursuant to this bill will be performed by existing staff. Therefore, this bill will have no expenditure impact on the General Fund, Other Funds, or Federal Funds of the agency.

Office of the Attorney General. This bill authorizes the Attorney General, along with DHEC, to take actions to recover costs incurred due to willful disregard of state laws and regulations. The agency reports that it will administer policies resulting from this bill with the use of existing staff and resources. Therefore, this bill will have no expenditure impact on the General Fund, Other Funds, or Federal Funds of the agency.

State Revenue

The Solid Waste Emergency Fund will be created by the reallocation of funds from the Solid Waste Management Trust Fund, which is funded by the collection of fees on the sale of motor oil, tires, lead acid batteries, and white goods. Two and one-half percent of the funds remitted each quarter to the Solid Waste Management Trust Fund will be reallocated to the Solid Waste Emergency Fund until the unencumbered balance of the emergency fund equals \$1,500,000. When expenditures occur to address a substantial release of any pollutant which may present an imminent danger, DHEC will transfer funds from the Solid Waste Management Trust Fund until the balance is restored. In FY 2016-17, \$10,404,643 in fees was collected for the Solid Waste Management Trust Fund. Based on this figure, we estimate that a total of \$260,100 will be reallocated to the Solid Waste Emergency Fund each fiscal year until the balance reaches \$1,500,000.

This bill authorizes both the Office of the Attorney General and DHEC to recover costs for expenditures made from the Solid Waste Emergency Fund due to willful disregard of state laws and regulations. Any funds recovered must be deposited into the Solid Waste Emergency Fund. The agencies are unable to predict the recovery rate of these funds. Therefore, the revenue impact on Other Funds is undetermined.

Local Expenditure

N/A

Local Revenue

N/A



Frank A. Rainwater, Executive Director