

**STATE and LOCAL
FISCAL IMPACT**

Drafting Number: LLS 13-0446

Date: February 5, 2013

Prime Sponsor(s): Sen. King

Bill Status: Senate SVMA

Fiscal Analyst: Kirk Mlinek (303-866-2756)

TITLE: CONCERNING THE PROCESS FOR APPLYING TO OPERATE A SOLID WASTES DISPOSAL SITE AND FACILITY.

| Fiscal Impact Summary | FY 2013-2014 | FY 2014-2015 |
|--|---------------------|---------------------|
| State Revenue | | |
| Cash Funds | | |
| Solid Waste Management Fund | (\$50,000) | (\$50,000) |
| State Expenditures | | |
| Cash Funds | | |
| Solid Waste Management Fund | (\$14,622) | (\$14,622) |
| FTE Position Change | (0.2 FTE) | (0.2 FTE) |
| Effective Date: August 7, 2013, if the General Assembly adjourns on May 8, 2013, as scheduled, and no referendum petition is filed, and applies to applications submitted on or after the effective date. | | |
| Appropriation Summary for FY 2013-2014: See State Appropriations Section. | | |
| Local Government Impact: See Local Government section. | | |

Summary of Legislation

The bill eliminates the authority of the Department of Public Health and Environment (DPHE) to review and collect fees associated with engineered design and operations plans submitted as part of the certification of designation process associated with owning and operating a solid wastes disposal site and facility. Instead, the bill requires applicants seeking certification to:

- utilize private parties to both prepare and then independently review the plans; and
- forward completed plans to DPHE.

Applicants may request a preapplication conference with DPHE, which must be provided at no cost to the applicant. At that conference, DPHE is required to provide a checklist that summarizes the documents and data necessary for successful completion of the application. When a plan is completed, with the certification of an independent reviewer, DPHE forwards plans to the local governing body. The bill shifts the duty to solicit and accept public comments on a plan from DPHE to the appropriate local governing body.

Background

Current law and related rules require that any person proposing to operate a facility for solid wastes disposal submit an application for a certificate of designation to the appropriate county or municipal governing body. Once referred by a local jurisdiction, DPHE has 30 days within which to make a determination of completeness. Upon determination of application completeness, the DPHE has 150 days to complete a technical review of the application. Workload considerations permit the DPHE to have the technical review completed by a certified contractor. Applicants have authority to reject a contractor chosen by DPHE. Applicants pay DPHE a fee of \$125 per hour for technical reviews, or the amount charged by the contractor if completed by a third party. DPHE reviews an average of 5 certificate of designation applications annually.

State Revenue

Revenue to the Solid Waste Management Fund in DPHE will decrease by approximately \$50,000 annually based on the elimination of fees for certification of designation technical reviews (400 hours * \$125/hour).

State Expenditures

Expenditures in the DPHE will decrease by \$14,622 and 0.2 FTE per year under the bill beginning in FY 2013-14. A professional engineer II will spend 400 hours fewer hours performing technical reviews of certificate of designation applications. This position is paid with cash funds from the Solid Waste Management Fund.

Local Government Impact

Municipalities, counties, and special districts seeking a certificate of designation for solid wastes facilities will be required to contract with independent professional engineers for planning services that, in some cases, are currently being provided by DPHE staff familiar with review criteria. Depending on the availability of competent independent contractors, costs for local government operators seeking a certificate of designation may vary from current prices. Further, application review expenses and public comment solicitation and compilation responsibilities currently provided by DPHE will shift to local governments with land use jurisdiction over both public and private applicants.

Expenditures Not Included

Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. The centrally appropriated costs subject to this policy are summarized in Table 1.

| Table 1. Expenditures Not Included Under SB13-057* | | |
|--|-------------------|-------------------|
| Cost Components | FY 2013-14 | FY 2014-15 |
| Employee Insurance (Health, Life, Dental, and Short-term Disability) | (\$1,350) | (\$1,350) |
| Supplemental Employee Retirement Payments | (897) | (1,015) |
| TOTAL | (\$2,247) | (\$2,365) |

**More information is available at: <http://colorado.gov/fiscalnotes>*

State Expenditures

For FY 2013-14, the Department of Public Health and Environment requires a negative appropriation of \$14,622 Cash Funds from the Solid Waste Management Fund, and 0.2 FTE.

Departments Contacted

Law
Counties

Public Health and Environment
Municipalities

Local Affairs
Special Districts