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BILL ANALYSIS

Senate Fiscal Agency

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House Bill 4178 (Substitute S-1 as reported)

Sponsor: Representative Mary C. Brown

House Committee: Conservation, Recreation, and Environment

Senate Committee: Natural Resources and Environmental Affairs

Date Completed: 5-25-89

RATIONALE

Since the passage of the environmental protection bond authorization last year, there has been a statewide push toward the implementation of recycling and waste reduction programs. Counties and townships have been encouraged to monitor and reduce waste within their jurisdictions. Some counties and townships, however, find it difficult to implement waste reduction and recycling programs because many of those programs are often expensive to initiate. Some feel that allowing counties and local units to charge small user fees could facilitate the development and maintenance of waste reduction and recycling services.

CONTENT

The bill would amend the Urban Cooperation Act to allow a county, by resolution of its board of commissioners, to impose a surcharge of up to \$2 per month or \$25 per year on each household in the county for waste reduction programs and for the collection of consumer source separated materials for recycling or composting. In a county with a population of at least 690,000 that did not operate under either Public Act 139 of 1973 or Public Act 293 of 1966, the agency responsible for preparing the Solid Waste Management Plan for the county, rather than the board of commissioners, could pass the resolution. A county would have to defer the imposition of the surcharge in a local unit of government until the county entered into an interlocal agreement, with the

local unit of government, that related to the collection and disposition of the surcharge.

Proposed MCL 124.508a

SENATE COMMITTEE ACTION

The Senate Committee on Natural Resources and Environmental Affairs adopted a substitute (S-1) to the bill that would allow an agency responsible for preparing a county solid waste management plan to impose a surcharge only in a county with a population of 690,000 or more that did not operate under either Public Act 139 of 1973 or Public Act 293 of 1966.

FISCAL IMPACT

The bill would have no fiscal impact on State government. If all 3.2 million households in the State were charged \$25 per year for waste reduction programs, the bill could generate an estimated \$80 million additional revenue to local governments.

ARGUMENTS**Supporting Argument**

Under the Solid Waste Management Act, counties are given the responsibility for the regulation of solid waste and reducing the amount of waste sent to incinerators and landfills through the development of county solid waste management plans. It is difficult to regulate waste responsibly, however, when the

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components of the waste are unknown. Consequently, many counties and local units attempt to establish source separation programs in order to monitor waste more effectively. Recycling and waste reduction programs, though, can be very expensive and the bill would assist counties by allowing them to recoup some of the costs of a recycling or waste reduction program by establishing a surcharge.

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H8990/S4178A

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.