

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING THE CREATION OF THE PRODUCER RESPONSIBILITY PROGRAM FOR STATEWIDE RECYCLING.

Prime Sponsors: Representative Cutter
Sens. Priola and Gonzales

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Appropriation Items of Note

Appropriation Required, Amendment in Packet

General Fund Impact

Fiscal Impact of Bill as Amended to Date

The most recent Legislative Council Staff Fiscal Note (attached) reflects the fiscal impact of the bill as of 04/05/22.

XXX	No Change: Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill
	Update: Fiscal impact has changed due to <i>new information or technical issues</i>
	Update: Fiscal impact has changed due to <i>amendment adopted</i> after LCS Fiscal Note was prepared
	Non-Concurrence: JBC Staff and Legislative Council Staff disagree about the fiscal impact of the bill

The House Energy & Environment Committee Report (04/13/22) includes amendments to the bill, however, Legislative Council Staff and JBC Staff agree that the committee amendments do not change the fiscal impact of the bill.

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
J.001	Staff-prepared appropriation amendment
L.005	Bill Sponsor amendment - does not change fiscal impact
L.008	Bill Sponsor amendment - does not change fiscal impact

Current Appropriations Clause in Bill

The bill requires but does not contain an appropriation clause.

Description of Amendments in This Packet

J.001 Staff has prepared amendment **J.001** (attached) to add a provision appropriating a total of \$119,130 General Fund to the Department of Public Health and Environment for FY 2022-23. This provision also states that the appropriation is based on the assumption that the Department will require an additional 0.8 FTE. Of this amount, \$20,503 is reappropriated to the Department of Law and is based on the assumption that the Department will require an additional 0.1 FTE

L.005 Bill Sponsor amendment **L.005** (attached) creates a reimbursement mechanism for the Department of Public Health and Environment to collect fees and fines from producers of covered materials. The Department will collect fees to cover the costs of implementing the Producer Responsibility Program.

L.008 Bill Sponsor amendment **L.008** (attached) creates the Producer Responsibility Program for Statewide Recycling Administration Cash Fund in the Department of the Treasury for all future dues, fees, or money transferred by the General Assembly to be used in future years for the purposes outlined in the bill.

Points to Consider

General Fund Impact

The Joint Budget Committee has proposed a budget package for FY 2022-23 based on the March 2022 Legislative Council Staff revenue forecast. The budget package includes two set-asides:

- \$40.0 million General Fund for bills that create ongoing obligations; and
- \$900.0 million General Fund for bills that create one-time obligations in FY 2022-23.

The \$40.0 million *appropriations* set-aside includes an additional \$6.0 million General Fund to provide a 15.0 percent General Fund reserve for those appropriations. The \$900.0 million *obligations* set-aside does not include an additional amount for a General Fund reserve and, assumes, but does not require, that obligations be addressed through statutory transfers rather than appropriations. Therefore *appropriations* from the \$900.0 million set-aside require an additional 15.0 percent to maintain the statutory General Fund reserve.

This bill creates an ongoing obligation and requires a General Fund appropriation of \$119,130 for FY 2022-23, reducing the \$40.0 million set aside by the same amount.