

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 97** SLS 21RS 225

Bill Text Version: **ENROLLED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: June 4, 2021	1:35 PM	Author: LAMBERT
Dept./Agy.: Environmental Quality		Analyst: Kimberly Fruge
Subject: Advanced Recycling		

SOLID WASTE EN SEE FISC NOTE SD EX See Note Page 1 of 1
Provides for advanced recycling facilities and processes for the conversion of certain recovered materials. (8/1/21)

Present law requires the Secretary of the Louisiana Department of Environmental Quality (DEQ) to adopt and promulgate rules, regulations, and standards for the transportation, processing, resource recovery, and disposal of solid wastes per the general solid waste management plan. Proposed law provides an exception to present law for rules and regulations of advanced recycling.

Proposed law defines advanced recycling as a manufacturing process for the conversion of post-use polymers and recovered feedstocks into basic hydrocarbon raw materials, feedstocks, chemicals, and other products through the process of gasification, depolymerization, catalytic cracking, reforming, hydrogenation, solvolysis, and other similar techniques. Proposed law provides that advanced recycling shall not be considered solid waste disposal, processing, incineration, combustion, or storage. Proposed law requires persons conducting advanced recycling to submit written notification to the department. Proposed law also stipulates how post-use polymers shall be managed, including time frames, containment, and use.

EXPENDITURES	2021-22	2022-23	2023-24	2024-25	2025-26	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						
REVENUES	2021-22	2022-23	2023-24	2024-25	2025-26	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Proposed law may increase statutory dedication expenditures out of the Hazardous Waste Site Cleanup Fund in the Louisiana Department of Environmental Quality (DEQ) if facilities contemplated by this measure do not close or operate properly, potentially causing closure and post-closure expenses for DEQ. Proposed law prohibits the department from regulating advanced recycling facilities through solid waste regulations, however, the department notes these facilities would likely operate under other permit types (air, water, hazardous waste, etc.) that would subject them to oversight.

Present law requires that all facilities have closure and post-closure plans. Under proposed law, advanced recycling facilities are exempt from solid waste regulation, which include closure and post-closure standard requirements that are developed to hold facilities responsible and limit DEQ's and the state's exposure to liability. Since advanced recycling facilities are exempt from DEQ regulations under this measure, facilities may or may not create and abide by closure and post-closure plans. In the event of closure, if advanced recycling facilities do not have closure and post-closure plans that meet DEQ standards, then the department may be responsible for site clean-up. In this situation, DEQ may have to utilize state funds from the Hazardous Waste Site Cleanup Fund for remediation. The likelihood of such an eventuality is unknown and the potential cost will be fact-dependent upon the condition of any closed site and the presence of any environmental hazards.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure. DEQ reports there is one facility that meets the definitions under this measure. The facility does not currently have a solid waste permit or pay any solid waste fees.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Alan M. Boxberger
Alan M. Boxberger
Staff Director