# TENNESSEE GENERAL ASSEMBLY FISCAL REVIEW COMMITTEE



## FISCAL MEMORANDUM

HB 584 - SB 1137

March 16, 2021

**SUMMARY OF ORIGINAL BILL:** Changes, from March 31 to April 15 of each year, the due date by which municipal solid waste regions must submit their progress reports to the Commissioner of the Department of Environment and Conservation.

FISCAL IMPACT OF ORIGINAL BILL:

#### NOT SIGNIFICANT

**SUMMARY OF AMENDMENT (005307):** Deletes all language after the enacting clause. Prohibits the Commissioner of the Department of Environment and Conservation (TDEC) from approving any application for waste evaluation or recertification of waste evaluation that is submitted on or after July 1, 2021, that would authorize the disposal of sewage sludge that has not undergone aerobic or anaerobic digestion as specified in "Environmental Regulations and Technology – Control of Pathogens and Vector Attraction in Sewage Sludge", EPA – 625/R-92/013, rev. July 2003, in a Class I landfill when the sewage sludge does not originate from the same county as the county where the landfill is located, unless approved by a two-thirds vote of the legislative body in which the landfill is located.

Requires that any approval by such legislative body must specifically authorize disposal of undigested sewage sludge, which is imported from outside the county, in a Class I landfill located in the county. Establishes that a county or municipal legislative body's general authorization to locate a Class I landfill in the county is not sufficient to authorize the Commissioner of the TDEC to approve any application for waste evaluation or recertification of waste evaluation, as aforementioned.

Establishes that this act only applies to Rutherford County

#### FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Decrease State Revenue - \$1,000/FY21-22 and Subsequent Years/ Division of Waste Management

Other Fiscal Impact - This legislation could result in additional local expenditures for shipping sludge or the purchase of new equipment to meet the requirements established by this legislation. Any such additional expenditures are based on multiple unknown factors and cannot determined with reasonable certainty.

## Assumptions for the bill as amended:

- Based on information provided by the Department of Environment and Conservation (TDEC), this legislation will likely result in an unknown amount of sludge being shipped out of Tennessee, unless the legislative body of Rutherford County approves of placing sludge in their landfills from other counties which has not undergone the appropriate digestion process.
- Based on information from the TDEC, Rutherford County currently has a landfill within the county that currently meets the criteria of this legislation.
- This legislation may result in an unknown number of counties, which currently ship such sludge to a landfill within Rutherford County, from being able to do so.
- If logistically advantageous, a public-owned treatment works (POTW), which is close to a state border, may ship such sludge to an out-of-state landfill. Taking such sludge to an out-of-state landfill will result in a decrease in an unknown amount of landfill tipping fee revenue currently collected by the Division of Solid Waste Management.
- Any such decrease in state revenue is unknown, but is estimated to equal approximately two-tenths percent of the total landfill tipping fees.
- Total landfill tipping fee revenue of approximately \$500,000.
- A recurring decrease in state revenue to the Division of Solid Waste Management of \$1,000 (\$500,000 x 0.2%).
- This legislation could result in an amount of additional local expenditures for shipping sludge or the purchase of new equipment to meet the requirements established by this legislation. Any such additional expenditures are based on multiple unknown factors and cannot determined with reasonable certainty.

### **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

Krista Lee Carsner, Executive Director

Krista Lee Caroner

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