

145TH GENERAL ASSEMBLY

FISCAL NOTE

BILL:	SENATE BILL NO. 234
SPONSOR:	Senator McBride
DESCRIPTION:	AN ACT TO AMEND TITLES 7 AND 30 OF THE DELAWARE CODE RELATING TO RECYCLING AND BEVERAGE CONTAINERS.

ASSUMPTIONS:

1. Establishes a Temporary Recycling Fee effective December 1, 2010.
2. This Act ends the bottle deposit system, with 5-cent returnable deposit removed from bottles, and establishes a temporary Recycling Fee of 4-cents per bottle (non-refundable) for the same containers now covered in bottle deposit system. The Recycling Fee begins December 1, 2010 and sunsets December 1, 2014 or when total funds reach \$22.0 M.
3. Universal recycling becomes effective:
 - September 15, 2011 for single-family customers and restaurants/bars.
 - January 1, 2013 for multi-family residences/complexes.
 - January 1, 2014 for commercial sector.
4. It creates the Delaware Recycling Fund at the DNREC, to be used for grants and/or low-interest loans to municipalities and private haulers for start up costs associated with universal recycling, including purchase of carts and trucks, or rebates based on recycling volume. It also establishes the Recycling Public Advisory Council.
5. This Act allows the DNREC to charge an administrative fee equal to 10% of the revenue deposited into the Fund, and establishes an agreement with the Division of Revenue to collect the fees and charge the DNREC a reasonable amount for administration of the fees.
6. The DNREC will utilize existing staff and resources during the start up phase of the program.
7. The one year funding requirements are broken down as the following:

Carts for single-family homes	\$6,220,560
Trucks for collection from single-family homes	\$6,762,000
Startup costs for multi-family recycling	\$1,380,000
Startup costs for commercial recycling	<u>\$1,725,000</u>
	\$16,087,560

DNREC Administration Fee \$ 1,608,756

FY11	\$16,087,560	
	(\$2,625,000)	Revenue-assumes 7 months of recycling fee collection
FY12	(\$4,500,000)	Revenue
FY13	(\$4,500,000)	Revenue
FY14	(\$4,500,000)	Revenue
FY15	(\$1,875,000)	Revenue-assumes 5 months of recycling fee