# Local Mandate Fiscal Impact Estimate Kentucky Legislative Research Commission 2015 Regular Session

#### **Part I: Measure Information**

<b>Bill Request #:</b> 1530
Bill #: HJR 124
Bill Subject/Title: A JOINT RESOLUTION imposing a moratorium on waste tire grants.
Sponsor: Representative Mary Lou Marzian
Unit of Government:CityXCountyXUrban-CountyXCharter CountyXConsolidated LocalXGovernment
Office(s) Impacted:
Requirement: X Mandatory Optional
Effect on Powers & Duties: Modifies Existing Adds New _X Eliminates Existing

## Part II: Purpose and Mechanics

HJR 124 imposes a moratorium on waste tire grants. Since 2011, the Division of Waste Management (DWM) within the Energy and Environment Cabinet has awarded annual grants to counties by the Energy and Environment Cabinet for projects that will manage and promote the disposal or recycling of waste tires. Recycling projects range from track and playground coverings to road projects. The moratorium is proposed due to concerns regarding potential air and water contamination from tire shreds and that exposure by children and the unborn can cause birth defects, neurological and developmental deficits, and cancer. Grants will be suspended until it is determined by either the United States Environmental Protection Agency or the Centers for Disease Control the use of recycled tire materials pose no threat to health, human safety, or the environment.

## Part III: Fiscal Explanation, Bill Provisions, and Estimated Cost

#### The impact of HJR 124 is expected to be minimal.

Eligible expenses under this grant are the actual costs (currently up to \$4,000) that the county incurs during the grant period for disposal or recycling of waste tires. Other expenses -- such as labor and equipment costs, for example -- are not eligible.

In FY 2011, the DWM dispersed \$339,000, \$3,000 each to 113 counties. Of the money the Cabinet awarded, the counties spent \$256,889 to dispose or recycle 240,736 Passenger Tire Equivalents (PTEs). Counties are required to return any unspent portion of grant monies.

In FY2012, the DWM disbursed \$336,000, \$3,000 to 112 counties. Of the money the Cabinet awarded, the counties spent \$259,484 to dispose or recycle 252,883 PTEs. Counties are required to return any unspent portion of grant monies.

The amount of grant money available has increased to \$4,000 per county and in FY 2015, the DWM awarded 102 Kentucky counties with \$4,000 direct grants to manage waste tires for a total of \$408,000.

Data Source(s):	Division of Waste Management within the Energy and Environment				
	Cabinet, Waste Tire Program Annual Reports to the General Assembly				
	<u>2012 and 2013.</u>				

<b>Preparer:</b>	Wendell F. Butler	<b>Reviewer:</b>	MCY	Date:	2/11/15
------------------	-------------------	------------------	-----	-------	---------