

Background on the Solid Waste Management Trust Fund Review Commission

Creation and Funding of the Solid Waste Management Trust Fund

The Solid Waste Management Trust Fund (SWMTF) was created in 1988, as a part of the comprehensive 1988 Solid Waste Management Act. The SWMTF was to be used by FDEP to provide grants to counties and to fund the programs of FDEP and other state agencies to address the purposes of the Act (solid waste management concerns). Three new sources of revenue were created to provide dollars for the Fund:

- Two tenths of one percent (.2 %) of the sales tax
- Registration fee on businesses which collect the sales tax
- Waste tire fee of \$1 on each new tire sold in Florida

Table 1 shows the history of funding provided by these three sources.

Table 1: Florida Solid Waste Management Trust Fund Revenue Chronology

<i>Funding Source (dollars)</i>						
Year	Oil Overcharge	Advance Disposal Fee	Waste Tire Fee	0.2% from Ch 212, FS	Annual Business Registration Fee	TOTAL
1989	19,250,000		879,269.79	11,020,781.99	4,408,138.76	35,558,190.54
1990			7,376,344.80	16,056,081.14	7,521,958.54	30,954,384.48
1991			12,529,984.52	16,252,549.35	5,018,181.75	33,800,715.62
1992			16,449,729.66	16,827,792.82	4,966,856.79	38,244,379.27
1993			18,266,906.79	17,164,876.52	5,459,571.94	40,891,355.25
1994		37,757,452	16,572,633.18	20,113,103.65	6,124,004.41	80,567,193.24
1995		17,951,710	16,243,815.91	21,322,333.48	5,953,205.45	61,471,064.84
1996		8,267,704	17,445,230.82	22,891,225.64	6,046,347.16	54,650,507.62
TOTAL	19,250,000	63,976,866	105,763,915.47	130,627,962.60	45,498,264.80	365,117,008.87

In addition, for Fiscal Year 1988-89, \$19 million was diverted from the Oil Overcharge Settlement Fund to provide startup funding for the new solid waste program.

Finally, from October 1, 1993 until October 1, 1995, an Advance Disposal Fee of one cent was imposed on all containers made of glass, plastic, plastic coated paper, steel and aluminum which did not meet certain recovery or recycling goals. The ADF raised \$63 million during the period it was in effect.

Historical Uses of SWMTF Dollars

The attached table (Table 4) shows the uses of SWMTF dollars from FY 88-89 through FY 97-98. Most of the funding has gone to local governments as grants as shown in the table below. An average of approximately \$35 million has been provided annually for grants to counties for solid waste management, recycling, education, waste tire management, used oil management and litter (see Table 2).

Table 2: Solid Waste Grants and Awards (Million Dollars)

Grants/Awards	FY89	FY90	FY91	FY92	FY93	FY94	FY95	FY96	FY97	Totals
Recycling and Education	19.00	23.00	25.00	25.00	20.10	24.10	22.77	22.77	22.77	204.51
Small County	0.68	0.68	0.65	0.65	0.60	1.55	1.55	1.55	1.55	9.46
Waste Tire	0.39	3.60	6.50	7.55	7.55	8.80	9.68	9.68	8.43	62.18
Used Oil	1.00		1.00							2.0
Mosquito Control/Tire Abate.					1.50					1.5
Litter Control and Prevent.						0.50	1.0	1.0	1.0	3.5
Public Education Campaign									1.20	1.20
Local Gov. Awards	0.75									0.75
Innovative Recycling Awards		0.75								0.75
Totals	21.82	28.03	33.15	33.20	29.75	34.95	35.0	35.0	34.95	285.9

While imposed for solid waste management purposes, ADF funds were actually used for a variety of environmental purposes. The programs and percentage of revenues to be directed to those programs were established by the 1993 legislature in Section 32 of 93-207. Table 3 below shows how the ADF funds were spent.

Table 3: Advance Disposal Fee Chronology (October 1993 - January 1996)

Programs	1994		1995		1996*		Total	
	\$\$'s	%	\$\$'s	%	\$\$'s	%	\$\$'s	%
Small County Closure Grants to Counties	10,194,523	27	4,846,962	27		0	15,041,485	24
Stormwater & Sewage Constr. Revolving Loan TF	10,194,523	27	4,846,962	27	8,267,704	100	23,309,189	36
Surface Water Improvement & Mgmt. TF	7,173,923	19	3,410,825	19		0	10,584,748	17
Small Community Sewer Construction TF	4,530,879	12	2,154,205	12		0	6,685,084	10
Recycled Materials Market Development	4,530,879	12	2,154,205	12		0	6,685,084	10
s218 DOR Small County Emergency Distribution	1,132,725	3	538,551	3		0	1,671,276	3
Totals	37,757,452	100	17,951,710	100	8,267,704	100	63,976,866	100

*All ADF funds unobligated after June 30, 1995 transferred to the Stormwater and Sewer Construction Revolving Loan Trust Fund pursuant to Ch. 403.7197, F.S.

1996 Legislative Session

During the 1996 session Senator Rick Dantzler, Chairman of the Senate Natural Resources Committee that year, introduced a bill (SB 120) to reduce recycling grants and divert funds into aquatic plant control. The bill was opposed by the Governor and local governments and failed to pass the Senate. The House passed a substantial revision of the Solid Waste Management Act (HB 1826), but kept funding for local government grants at historic levels.

1997 Legislative Session

During the 1997 session, several bills were filed to reduce funding for solid waste management purposes and divert the resulting revenue to aquatic weed control or to the Surface Water Improvement and Management (SWIM) program. These were:

- HB 1149 by Representative Spratt, (companion bill SB 2366 by Senator Bronson) would cut sales tax going into the SWMTF from .2 of a percent to .1 of a percent and divert the balance to aquatic plant control.

- HB 1189 by Representative Kelley (companion SB554 by Senator Latvala) would cut sales tax going into the SWMTF from .2 to .12 and divert the resulting funds into the SWIM program.

These bills were opposed by the Association of Counties, the League of Cities and several sectors of the business community. The Florida Retail Federation and other retail groups stated that the dollars (\$6M) collected from the registration fee were by agreement in 1988 to go towards solid waste management. They felt that if SWMTF dollars were going to be diverted to other uses, then they would press for the repeal of the registration fee. A bill was subsequently introduced to do so, although it did not pass.

Compromise was finally reached, which is reflected in the Implementation bill for the 1997-98 Appropriations Act (SB 2402). For Fiscal Year 1997-98 only, the bill transferred \$6 million from the SWMTF to the Aquatic Plant Control Trust Fund and \$6 million from the SWMTF to the SWIM Trust Fund. Counties which received some of the \$6 million from the SWMTF for aquatic weed funding could, at their discretion, spend these funds on recycling if they desired.

SWMTF Review Commission

The SB 2402 also created the SWMTF Review Commission, which is charged with reviewing, the following matters, including, but not limited to:

- A. The current uses of funds; the need to continue those uses; and alternative techniques for phasing out grants to local governments.
- B. Alternative techniques for restructuring grants to local governments for recycling and education purposes, including measures that make the grants more performance-based or competitive.
- C. The appropriateness of allowing local governments to use funds available to the Solid Waste Management Trust Fund for either recycling activities, surface water improvement and management program activities, or aquatic weed control activities; and
- D. Alternative funding strategies for meeting the needs of solid waste management, the surface water improvement and management program, and aquatic weed control.

The bill states that the FDEP Secretary shall appoint the members of the commission “so that there are representatives of local governments knowledgeable about local needs for recycling, surface water improvement and management and aquatic weed control, agency representatives for the recycling program, for the surface water improvement and management program, and for the aquatic weed control program, private industry representatives for recycling programs, for the surface water improvement and management program, and for the aquatic weed control program, and other representatives the Secretary determines to be appropriate on the commission.” Based on this guidance, FDEP decided to appoint 13 members instead of 10, adding an additional private sector representative in each of the three areas to provide more private sector input and to better balance the Commission between public and private points of view.

The Commission is to complete its work and issue a final report and recommendations to the Governor, President of the Senate, and Speaker of the House by January 30, 1998.

Table 4: Appropriation From the Solid Waste Management Trust Fund

Recipient	Appropriation for Fiscal Year (\$)										Totals	
	88-89	89-90	90-91	91-92	92-93	93-94	94-95	95-96	96-97	97-98		
Admin Hearings			300,000		132,460	110,386	116,386					359,232
Adopt A Shore												300,000
Aseptic Package						200,000						200,000
Aquatic Weed Programs										6,000,000		6,000,000
Capacity Needs Study						500,000						500,000
DACS	100,000											100,000
DGS/DMS Recycl. Materials	200,000	200,000	291,014	291,014	471,014	596,537	596,537	596,537	596,537	596,537		4,435,727
DMS Recycl. Content Study						300,000						300,000
DNR	90,000											90,000
DOE SW Ed. Program	175,000			117,743	117,743	117,743	117,743	117,743	117,743	117,743	139,135	1,020,593
DOR Tax Collection	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	1,100,000
FCO Grants Program	30,175,000	30,275,000	34,375,000	33,200,000	33,200,000	34,475,000	35,000,000	35,000,000	35,000,000	23,000,000		323,700,000
FCSHWM	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	5,000,000
FCSHWM Litter Survey						200,000	200,000	200,000	200,000	200,000	200,000	1,000,000
FDACS Mosquito Control						1,600,000	2,028,598	2,028,598	2,278,598	2,278,598		10,214,392
FDEP Innov. Recycl. Pjts.	750,000											750,000
FDEP Promote Used Oil	2,500,000											2,500,000
FDEP Seafood Demo	500,000											500,000
FDOT Adopt A Highway					100,000	100,000	100,000	100,000	100,000	100,000	100,000	600,000
FDOT FDOT Clean Fl. Comm.	1,000,000	900,000	900,000									2,800,000
FDOT Research and Demo	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	1,500,000
HRS Biohaz/Biomed	50,000	50,000	620,854	620,854		880,000	880,000	880,000	880,000	880,000	880,000	5,741,708
IFAS	500,000											500,000
Keep Florida Beautiful		100,000	100,000			731,475	450,000	600,000	150,000	150,000		2,281,475
KFB Pub. Awareness Camp.			2,500,000			500,000						3,000,000
Litter Grants						500,000						500,000
Pass-Through Grants						100,000			450,000	250,000		800,000
PRIDE	150,000											150,000
Profess. Reg. TF	1,000,000											1,000,000
Recycl. Mercury Devices						200,000	100,000	100,000	100,000	100,000	100,000	600,000
Recycle Market Dev.							6,072,000				200,000	6,272,000
RMAC						300,000						300,000
Seafood Dep. Demo Proj.		500,000										500,000
Small County Emergency							1,518,000					1,518,000
Small County Landfill Closure							13,662,000	7,486,000				21,148,000
Sumter Co Integrated SW System										250,000		250,000
SWIX					50,000							50,000
Trans. Sew. Treat. Rev. Loan TF							13,662,000	10,000,000				23,662,000
Trans. Sew. Con. TF							6,072,000					6,072,000
Transfer to SWIM TF							9,614,000			6,000,000		15,614,000
Univ. of FL (ETI)								600,000				600,000
Waste Tire Abatement			3,300,000	7,975,000	7,975,000	7,975,000	7,500,000		2,117,000	1,850,000		38,692,000
Working Capital Fund									25,000,000			25,000,000
WTE Fac Pilot Proj.						100,000						100,000
Totals	37,950,000	32,785,000	43,146,868	42,964,611	42,806,217	50,246,141	98,449,264	58,468,878	67,749,878	42,754,270		517,321,127