

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
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FISCAL IMPACT STATEMENT

LS 6800
BILL NUMBER: SB 478

DATE PREPARED: Jan 2, 2000
BILL AMENDED:

SUBJECT: Solid waste management districts.

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FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill provides that a solid waste management district or a joint solid waste management district receives a distribution of County Adjusted Gross Income Tax or County Option Income Tax for a year unless a majority of the members of each of the fiscal bodies of the counties within the district passes a resolution disapproving the distribution for the year. This bill also provides that the law restricting the provision of waste management services by solid waste management districts does not apply to (1) activities conducted as part of household hazardous waste collection and disposal projects; and (2) solid waste recycling, collection, or disposal projects that are conducted for not more than one day.

Effective Date: July 1, 2000.

Explanation of State Expenditures: The proposal could have a state impact if the proposal results in a change in property tax levies for local units because the state pays property tax replacement or homestead credits on solid waste management district levies as well as other local levies. (See below.)

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: Under the proposal some solid waste management districts that were previously not receiving local option income tax revenue might begin receiving revenue. If solid waste districts received local option revenue, other units would receive less. The amount that a district would receive would be based the district's levy relative to all other levies within the county. The provision could affect the amount of revenue that any local unit located in a county that imposes a local option tax uses to reduce property taxes. The specific impact will depend on local action.

Background Information: As of August 1999, 62 solid waste districts existed in Indiana. Ten districts consist of more than one county while 52 are single county districts. Twenty districts received \$2,097,635 in local option revenue. The total statewide levy for all districts was \$12,142,304.

State Agencies Affected:

Local Agencies Affected: Units in counties that are not currently distributing local option taxes to solid waste management districts.

Information Sources: Local Government Database, State Board of Tax Commissioners.