

OFFICE OF FISCAL ANALYSIS

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SB-191

AN ACT CONCERNING FOOD SCRAP DIVERSION FROM THE SOLID WASTE STREAM AND THE REDEMPTION OF OUT-OF-STATE BEVERAGE CONTAINERS.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 25 \$	FY 26 \$
Consumer Protection, Dept.	GF - Potential Cost	70,983	70,983
State Comptroller - Fringe Benefits ¹	GF - Potential Cost	29,280	29,280
Department of Revenue Services	GF - Potential Revenue Gain	Minimal	Minimal

Note: GF=General Fund

Municipal Impact: See Below

Explanation

The bill makes changes regarding food scraps and beverage container deposits, resulting in fiscal impacts to municipalities in the out years and potentially to the state beginning in FY 25.

Section 2 requires each municipality, by January 1, 2028, to establish a program for certain food scraps and food processing residues to be recycled separately from other waste. This has no fiscal impact to municipalities in either FY 25 or FY 26 but may result in costs to municipalities in the out years to the extent municipalities are not

¹The fringe benefit costs for most state employees are budgeted centrally in accounts administered by the Comptroller. The estimated active employee fringe benefit cost associated with most personnel changes is 41.25% of payroll in FY 25.

already participating in this program.

It is estimated that organic waste (i.e., food scraps) makes up 22% of all municipal solid waste (MSW) generated annually. The average tip fee is approximately \$110 per ton for MSW and \$65 per ton for food scraps, according to DEEP. To the extent this section's requirement results in fees shifting from MSW to food scraps, there is a potential tip fee savings to municipalities in the out years.

Section 3 makes it an unfair trade practice to knowingly return a beverage container for a deposit refund if the container wasn't sold in the state, resulting in a potential cost to the Department of Consumer Protection (DCP) and the State Comptroller beginning in FY 25. To the extent this generates a significant increase in violations that DCP will have to investigate, the agency may have to hire one special investigator for an annual personal services cost of \$70,983, along with associated fringe benefit costs of \$29,280 per year.

Section 3 also results in a potential minimal General Fund revenue gain from bottle escheats to the extent that it results in fewer out-of-state bottles being redeemed in Connecticut.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.