

## **Please Support House Bill 811**

Association County Commissioners of Georgia

March 14, 2012

We respectfully urge your support for HB 811 which provides that when certain fees are collected for a specific purpose and the fee revenue is 'redirected' (*i.e.* equivalent funds are not appropriated to that statutorily-dedicated purpose) then the fee rate is automatically reduced. This automatic fee reduction process commences for the fiscal year beginning July 1, 2013 and will apply each subsequent fiscal year that appropriations are not increased by at least 20 percent to their designated purpose, up until fee appropriations reach 95 percent. Fees would be reduced by 20 percent each year that the appropriations do not reach that mark. For example, if the \$1 Solid Waste Trust Fund fee generates \$6 million in fees in FY 2012, then only \$3 million of that is appropriated in FY 2013, then the fee is reduced by 20 percent, to 80 cents.) In any subsequent fiscal year after a fee reduction has occurred, if the new appropriation amount increases by at least 20 percent, the fee is automatically set to its prior level.

The entire fee reduction process will not be implemented until the year-end balance in Georgia's Revenue Shortfall Reserve is equal to or greater than 7 percent of the fiscal year spending (excluding certain items) for the preceding fiscal year. Further, if this new fee reduction process commences and the RSR falls below that same 7-percent threshold, then the new law is suspended and the fee amounts go back to whatever they were prior to the last reduction.

Unlike past legislative efforts to address the redirection of fees, this is not a mandate or Constitutional Amendment and does not bind the Governor or General Assembly in the appropriations process. State policymakers retain the discretion to appropriate as little or much as they deem appropriate to the programs and services covered by these fees in any given year. Fees covered by HB 811 are:

**Hazardous Waste Trust Fund** – Primarily funded by the state's 75-cent per-ton tipping fee on solid waste going into Georgia's landfills, the HWTF is statutorily dedicated to fulfilling the Georgia State Superfund Law, which includes cleaning up hazardous waste sites (public and private; orphaned or not) and helping remediate old, unlined landfills that pose a threat to drinking water and the environment. Since 2004, over 60 percent of the fees collected have been redirected to the state's General Fund.

**Solid Waste Trust Fund** - Funded from the \$1 per-tire charge on all new tires sold in the state, the SWTF is statutorily dedicated to clean up illegal scrap tire piles and dumps, abandoned landfills, fund recycling and waste reduction programs, eliminate the open dumps and litter that foul Georgia's roadsides and streams, and assist with other solid waste management programs. Since 2004, over 65 percent of the fees collected have been redirected to the state's General Fund.

**Peace Officer and Prosecutors Training Fund** – These funds are generated by an add-on fee imposed as an additional penalty to any criminal or quasi-criminal offense and to bonds. This fund was created to provide training for peace officers and prosecutors in the State. While about \$9 million was appropriated to the Georgia Public Safety Training Center in FY 2009 for state officer training, the remaining \$16 million was redirected to the state's General Fund.

**Joshua's Law – Driver's Ed Training** – This fee is a 5-percent add-on to traffic fines and/or bond payments (all levels of court). Its purpose was to provide driver education and training through a grant program. In FY 2011, \$10.8 million was collected and remitted to the state general fund. None of this funding was appropriated for driver education and training.

***See Reverse Side for Fee Reduction Implementation Timeline***