

March 24, 2022

	Yes	No
DOR Administrative Costs/Savings		X

Department of Revenue
Analysis of H.F. 2367 (Hornstein) 1st Engrossment

	Fund Impact			
	<u>F.Y. 2022</u>	<u>F.Y. 2023</u>	<u>F.Y. 2024</u>	<u>F.Y. 2025</u>
			(000's)	
General Fund	\$0	(\$15,000)	(\$32,000)	(\$32,000)
Environmental Fund	\$0	\$15,000	\$32,000	\$32,000

Effective day following final enactment.

EXPLANATION OF THE BILL

Current Law: The greater of \$33,760,000 or 70% of revenue collected from the Solid Waste Management Tax (SWMT) is deposited into environmental fund and the rest to the general fund.

Proposed Law: The bill would change revenue allocation for the SWMT. In fiscal year 2023, 85% of the revenue collected from the SWMT would be deposited in environmental fund with the remainder going to the general fund. Starting in fiscal year 2024 and thereafter, 100% of the revenue will be deposited in environmental fund.

REVENUE ANALYSIS DETAIL

- The February 2022 SWMT forecast was used.
- The estimates reflect the difference between the current allocation and the proposed allocation.

Minnesota Department of Revenue
Tax Research Division
<https://www.revenue.state.mn.us/revenue-analyses>