



OREGON REFUSE & RECYCLING ASSOCIATION

Testimony Before the Senate Committee on Environment and Natural Resources

On Senate Bill 245

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ORRA is the statewide trade association representing solid waste management companies in Oregon. ORRA members collect and process most of Oregon's residential and commercial refuse and recyclables, as well as operate material recovery facilities, compost facilities, and many of Oregon's municipal solid waste transfer stations and landfills. In most communities across the state, ORRA members do this work under the direction of, and in partnership with, city and county government.

ORRA participated in DEQ's Materials Management Workgroup process that developed both SB 263 and SB 245. While SB 263 proposes to amend Oregon's "Opportunity to Recycle Act", SB 245 increases the "tipping fee" (the state's fee on disposal), proposes new fees and amends the permit fee programs. For the purposes of this testimony I will refer to the -1 amendments.

Currently, permit fees pay for permit related programs like oversight, permit issuance, inspections, enforcement, technical assistance, etc. These fees are regulated by the Environmental Quality Commission (EQC). The EQC has not adjusted permit fees for several decades because increased tonnages disposed of over time has kept up with inflationary costs. This changed with the 2008 recession, and to make up for the losses, DEQ has subsidized the permit fee program by using tipping fees for permit related programs. According to the DEQ, this has resulted in a need of a near 100% permit fee increase to keep the current level of service.

In general, ORRA supports the Department's permit fee related programs and generally supports fee for service related programs. However, ORRA would like the permit program to be fully funded through permit fees and would propose the following amendment: In Section 6 add a subsection that says, "**Fees generated under Section 6 of this 2015 Act are prohibited from being used for purposes described in Section 1 of this 2015 Act.**" This would clarify and ensure that, going forward, the permit fee program is paid for by permit fees. In addition, neither the permit fee, nor the tipping fee, would be allowed to shift back and forth between the two very different programs.

SB 245's main purpose is to raise the tipping fee by \$.37 from \$.81 to \$1.18 per ton. This additional resource will significantly increase the DEQ staff in programs that reduce impacts from materials at "all stages of their life cycle". Tipping fees are collected from Oregon ratepayers currently to pay for recycling-related programs. ORRA questions the use of this funding mechanism to significantly increase and fund waste prevention and reuse programs. Currently, Oregon's recovery rate is 54% far exceeding the current goal of 50% and well on the way to the proposed new 2025 goal of 55%.

SB 245 also proposes adding certain new tipping fees for certain types of materials. One of those materials is Alternative Daily Cover (ADC). ADC is substitute material that is used for landfill cover in lieu of daily cover material that would otherwise have to be purchased, such as soil. Since the tipping fee is a fee on disposal and ADC is not disposed of, and instead, it is recovered material, it shouldn't be subject to a disposal fee. Specifically, **ORRA would suggest restoring the deleted language in Section 12 (3).**