

Changes to SB 245-1 made by SB 245-5

SB 245-5 makes three changes to SB 245-1 as requested by stakeholders, and makes a fourth change requested by Representative McLane.

1) Specify that permit fee revenue will be used only for oversight activities related to solid waste disposal sites.

Section 1 of SB 245-1 specified, among other things, what permit fee revenue can be used for. SB 245-5 makes the following changes in SB 245-1 to limit those uses. (Page 1, line 21 to page 2, line 5 of both SB 245-1 and SB 245-5)

..... Consistent with the policies in ORS 459.015, moneys collected under this section shall be used to fund oversight activities related to ~~at~~ solid waste disposal sites, including but not limited to policy development, permitting, inspecting, monitoring, enforcement, training, technical assistance, responding to complaints, rulemaking and any other activities that support the safe management of solid waste, ~~and activities to reduce waste generation and disposal.~~

2) For grants, add special emphasis to activities that reduce solid waste generation and exceed the requirements of ORS 459A.

Section 7 of SB 245-1 specified the authorized uses of tipping fee revenue, amending ORS 459A.120. SB 245-5 adds the text below to the end of Section 7 of SB 245-1 (Page 10, line 3 of SB 245-1, Page 12 lines 8-11 of SB 245-5).

“(c) Providing grants or loans to fund the types of activities listed in paragraphs (a) and (b) of this paragraph. In providing grants under this paragraph, the department shall give special emphasis to activities that reduce solid waste generation and exceed the requirements of ORS 459A.

3) Retain the current waiver of tipping fees for waste that is used as alternative daily cover (ADC).

SB 245-1 would have established a tipping fee on waste used as ADC beginning July 1, 2019. The fee would have been limited to no more than 50% of the tipping fee charged on other wastes. SB 245-5 deletes those provisions in SB 245-1 to retain the full waiver for ADC.

- Section 12 of SB 245-1 would have deleted Subsection (3) of ORS 459.235 - the provision that prohibits charging tipping fees and orphan site fees on ADC. By deleting Section 12, that prohibition will remain in ORS 459.235.
- Section 14(3) of SB 245-1 would have authorized a fee on ADC. That subsection is removed in SB 245-5, and subsequent subsections sections renumbered.
- Section 15 of SB 245-1 would have established a fee on ADC of up to 50% of the tipping fee. Deleting Section 15 removes that fee.
- Sections subsequent to Section 12 of SB 245-1 are renumbered appropriately in SB 245-5, and all references to Sections 12 and 15 of SB 245-1 are removed in SB 245-5.

4) Provide a partial rebate of the tipping fee each year to the nine most economically-distressed counties in Oregon.

A new Section 6a is added to SB 245 at the request of Representative Mike McLane to address concerns from counties and other stakeholders that new fees could create hardship in some of Oregon's most struggling communities, and might increase illegal dumping.

- Section 6a of SB 245-5 directs DEQ to determine the 9 most economically-distressed counties each year; DEQ proposes to make this determination using methods already adopted by Business Oregon. For 2015, the 9 most economically-distressed counties are: Harney, Grant, Josephine, Klamath, Jefferson, Crook, Douglas, Curry, and Lake.
- DEQ would initially rebate to the most distressed counties \$0.28 per ton of municipal solid waste disposed that comes from that county – slightly more than 75% of the tipping fee increase. (Tipping fees are currently \$0.81 per ton; SB 245 would increase them by \$0.37 per ton to \$1.18 per ton in 2016.) If tipping fees are adjusted by rule in future years, the rebate amount would change by the same proportion. If the total tonnage on which the rebates are based exceeds 10 percent of the total Oregon municipal solid waste disposed, the rebates to each of the 9 counties would be prorated based on a cap equivalent to 10 percent of Oregon's disposed municipal waste.
- DEQ would issue rebates near the beginning of each fiscal year, based on waste disposal records from the previous calendar year. This would begin in September 2016, which is the first year of the new fee. There would be no application required for the rebate, and no additional reporting burden. The counties could use these fee rebates for any purpose related to solid waste management or other purpose authorized in ORS 459A.120, including operation of disposal facilities or the reduction of disposal fees.
- The process is administratively feasible. Section 6a provides for a fee rebate as opposed to a fee waiver in order to reduce administrative complexity. Landfills already report to DEQ the county or watershed where each ton of waste originates, so the rebate amount is easy to calculate using existing data. Having a uniform statewide fee simplifies rulemaking as well as fee collection on the part of landfills, and rate-setting by local governments that oversee landfill rates. Since many landfills accept waste from multiple counties, a uniform fee (with rebate) avoids the need for landfills to charge different fees on different loads of waste, and to change those fees each year as the list of most distressed counties changes.