
MEMORANDUM

Legislative Fiscal Office
900 Court St. NE, Room H-178
Salem, Oregon 97301
Phone 503-986-1828
FAX 503-373-7807

To: Natural Resources Subcommittee

From: Paul Siebert, Legislative Fiscal Office
(503) 986-1843

Date: May 20, 2015

Subject: SB 245A
Work Session Recommendations

SB 245A relates to solid waste disposal fees. The Department of Environmental Quality's materials management program is funded with tipping and permit fees assessed on tons of solid waste disposed in Oregon. There has been a decline in revenue since 2008 resulting from a decrease in disposal rates while operating costs have increased.

The measure, the original staff measure summary, preliminary Joint Committee on Ways and Means staff measure summary, and fiscal impact statement are available on the Oregon Legislative Information System (OLIS).

Senate Bill 245A would increase tipping fees from \$0.81 to \$1.18 per ton, increasing Other Funds revenues by \$1.7 million in 2015-17. Fees were last changed in 1994. Senate Bill 245A also creates a tipping fee rebate program for the nine most economically distressed counties in the state. The revenue from this bill is assumed in the Co-Chair budget for the Department of Environmental Quality.

Measure to Full

LFO recommends the measure be moved to the full Joint Committee on Ways and Means.

Motion #1: Move SB 245A to the full committee with a “do pass” recommendation.

Assignment of Carriers

Full: _____
2nd Chamber: _____

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: SB 245 A

Seventy-Eighth Oregon Legislative Assembly – 2015 Regular Session
Legislative Fiscal Office

*Only Impacts on Original or Engrossed
Versions are Considered Official*

Prepared by: Tim Walker
Reviewed by: Paul Siebert
Date: 04/02/2015

Measure Description:

Modifies purposes for assessing, and authorized uses of, solid waste facility permit fees.

Government Unit(s) Affected:

Department of Environmental Quality (DEQ)

Summary of Expenditure Impact:

Summary of Revenue Impact		
	2015-17 Biennium	2017-19 Biennium
General Fund		
Lottery Funds		
Other Funds	1,700,000	3,400,000
Federal Funds		
Total Funds	\$1,700,000	\$3,400,000

Local Government Mandate:

This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

Analysis: This bill makes various changes to the Department of Environmental Quality (DEQ) solid waste facility permit fees. In addition, the bill allows DEQ adjust fees once each subsequent biennium under certain circumstances. The bill establishes a tipping fee rebate program for the nine most economically distressed counties. The proceeds from the rebate program will be used by the entities in support of their solid waste facilities.

This fee increases in the bill are part of DEQ's budget request and the revenue will used to support 7 positions (7.00 FTE) that will provide support for maximizing benefits of recovery, toxics reduction, sustainable material procurement, voluntary business initiatives, food waste reduction, life cycle analysis, household hazardous waste collection, grants to local governments, and education and information development.

The Legislative Fiscal Office believes this measure warrants a subsequent referral to the Joint Committee on Ways and Means Committee for consideration of this measure's budgetary impact on the Department of Environmental Quality.

PRELIMINARY STAFF MEASURE SUMMARY**Joint Committee On Ways and Means****Fiscal:** Fiscal impact issued**Revenue:** No Revenue Impact**Action Date:****Action:****Meeting Dates:****Prepared By:** Paul Siebert, Budget Analyst**WHAT THE MEASURE DOES:**

Consolidates and updates authorized use of permit fees and tipping fees to include policy development, permitting, inspecting, monitoring, enforcement, training, technical assistance, responding to complaints, rulemaking, and other activities that support safe management of solid waste. Clarifies fees apply to sites that receive domestic solid waste or solid waste generated outside of state for final disposal or destruction and person who transports solid waste out of state for final disposal or destruction. Establishes fee is levied on district for solid waste delivered to disposal site owned and operated by metropolitan service district. Authorizes Environmental Quality Commission (EQC) to establish fees for composting if amount of waste tonnage per calendar year falls below 90 percent of amount of waste tonnage averaged from 2014 to 2016 for two consecutive years and would remain in effect until EQC determines fee is no longer necessary. Requires solid waste disposal tipping fee be no more than \$1.18 per ton for biennium beginning July 1, 2015 and per ton fee on disposal sites for composting be no more than per ton fee assessed on domestic solid waste, less \$0.81 per ton. Stipulates after July 1, 2017 Department of Administrative Services and EQC may proportionally adjust fee to meet revenue needs consistent with legislatively authorized budget or adjust for inflation based on certain guidelines. Establishes tipping fee rebate program for nine most economically distressed counties. Authorizes fees on disposal sites that receive and person who transport out of state for final disposal building demolition or construction wastes, land clearing debris and waste tires. Requires Department of Environmental Quality to submit report to interim legislative committee on environment and natural resources no later than October 31, 2022.

ISSUES DISCUSSED:**EFFECT OF COMMITTEE AMENDMENT:**

No amendment.

BACKGROUND:

The revenue for the materials management program administered by the Department of Environmental Quality comes from tipping and permit fees assessed on tons of solid waste disposed in Oregon. There has been a decline in revenue since 2008 resulting from a decrease in disposal rates while operating costs have increased. Fees were last changed in 1994.

Senate Bill 245A would increase tipping fees from \$0.81 to \$1.18 per ton. The Act applies fees to waste from building demolition or construction, land clearing debris and waste tires and may also apply to compost facilities depending on waste disposal rates. Senate Bill 245A would also create a tipping fee rebate program for the nine most economically distressed counties.

A-Engrossed
Senate Bill 245

Ordered by the Senate April 7
Including Senate Amendments dated April 7

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Governor John A. Kitzhaber, M.D., for Department of Environmental Quality)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Modifies purposes for assessing, and authorized uses of, solid waste facility permit fees. Becomes operative July 1, 2016.

Consolidates disposal site tipping fee and disposal site surcharge and increases consolidated fee. Authorizes Environmental Quality Commission to establish fee schedule for disposal sites for composting under certain circumstances. Modifies authorized uses of moneys collected pursuant to tipping fee. Sets maximum amount for disposal site tipping fee for 2015-2017 biennium. Authorizes commission to adjust fees once each subsequent biennium under certain circumstances. **Requires Department of Environmental Quality to provide rebate annually, to nine most economically distressed counties in this state, of portion of tipping fees paid by those counties.** Becomes operative April 1, 2016, with first payment due July 1, 2016.

Applies orphan site fee and disposal tipping fee to building demolition and construction disposal sites and waste tire disposal sites. [*Applies fee that equals up to 50 percent of full disposal tipping fee to disposal of substitute material that is also used for daily cover.*] Becomes operative July 1, 2019.

Repeals out-of-region fee differential.

Requires report by Department of Environmental Quality no later than October 31, 2022, on [*options for sustainable and adequate funding of solid waste management, prevention, reuse and recycling programs and implementation of state's plan for integrated system of materials and*] **certain information related to waste management in State of Oregon.**

A BILL FOR AN ACT

1
2 Relating to solid waste disposal fees; creating new provisions; amending ORS 459.235, 459.236,
3 459A.025, 459A.110 and 459A.120; and repealing ORS 459.112, 459.114 and 459A.115.

4 **Be It Enacted by the People of the State of Oregon:**

5
6 **2016 FUNDING ADJUSTMENTS**

7
8 **SECTION 1.** ORS 459.235, as amended by section 8 of this 2015 Act, is amended to read:

9 459.235. (1) Applications for permits shall be on forms prescribed by the Department of Envi-
10 ronmental Quality. An application shall contain a description of the existing and proposed operation
11 and the existing and proposed facilities at the site, with detailed plans and specifications for any
12 facilities to be constructed. The application shall include a recommendation by each local govern-
13 ment unit having jurisdiction and such other information the department deems necessary in order
14 to determine whether the site and solid waste disposal facilities located [*thereon*] **at the site** and
15 the operation will comply with applicable requirements.

16 (2) The Environmental Quality Commission shall establish a schedule of fees for disposal site
17 permits. [*The permit fees contained in the schedule shall be based on the anticipated cost of filing and*

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 *investigating the application, of issuing or denying the requested permit and of an inspection program*
 2 *to determine compliance or noncompliance with the permit.] Consistent with the policies in ORS*
 3 **459.015, moneys collected under this section shall be used to fund oversight activities related**
 4 **to solid waste disposal sites, including but not limited to policy development, permitting, in-**
 5 **specting, monitoring, enforcement, training, technical assistance, responding to complaints,**
 6 **rulemaking and any other activities that support the safe management of solid waste.**

7 [(3) *In addition to the fees imposed under subsection (2) of this section, the commission shall es-*
 8 *tablish a schedule of permit fees for the purpose of implementing this section and ORS 90.318, 182.375,*
 9 *279A.125, 279A.155, 279B.025, 279B.240, 279B.270, 279B.280, 459.005, 459.015, 459.247, 459.418,*
 10 *459.995, 459A.005, 459A.010, 459A.020, 459A.030 to 459A.055, 459A.070, 459A.110, 459A.475, 459A.480,*
 11 *459A.500 to 459A.685, 459A.695 and 459A.750. The fees shall be based on the amount of solid waste*
 12 *received at the disposal site.]*

13 [(4)] (3) Notwithstanding any other fee or surcharge imposed under ORS 459.005 to 459.437 or
 14 459A.005 to 459A.120, for the disposal of solid waste, in order to encourage the use of suitable ma-
 15 terial other than virgin material for daily cover at a disposal site, the only fee that may be charged
 16 for the disposal of substitute material that is also used for daily cover is the permit fee established
 17 under this section.

18 **SECTION 2.** ORS 459.236 is amended to read:

19 459.236. (1) In addition to the permit fees provided in ORS 459.235, upon prior approval by the
 20 Oregon Department of Administrative Services and a report to the Emergency Board prior to
 21 adopting the fees, [on January 1 of each year] there is imposed a fee on all:

22 (a) Disposal sites that receive domestic solid waste [except transfer stations] **or solid waste**
 23 **generated outside the state, for final disposal or destruction;** and

24 (b) Persons who transport solid waste out of the State of Oregon **for final disposal or de-**
 25 **struction** to a disposal site that receives domestic solid waste.

26 (2) The amount raised under subsection (1) of this section shall be up to \$1 million per year,
 27 based on the estimated tonnage or the actual tonnage, if known, received at the site or transported
 28 out of state for **final disposal or destruction** and any other similar or related factors the Environ-
 29 mental Quality Commission finds appropriate. Such fees shall be within the budget authorized by the
 30 Legislative Assembly as that budget may be modified by the Emergency Board.

31 (3) For solid waste [generated within the boundaries of] **delivered to a disposal site owned and**
 32 **operated by** a metropolitan service district, the fee imposed under subsection (1) of this section[,
 33 *but not the permit fees provided in ORS 459.235 (3),*] shall be levied on the district, not the disposal
 34 site.

35 (4) Before transporting or arranging for transport of solid waste out of the State of Oregon to
 36 a disposal site that receives domestic solid waste, a person shall notify the Department of Environ-
 37 mental Quality in writing.

38 (5)(a) A local government unit that franchises or licenses a domestic solid waste site shall allow
 39 the disposal site to pass through the amount of the fees established by the commission in subsection
 40 (1) of this section to the users of the site.

41 (b) If a disposal site that receives domestic solid waste passes through all or a portion of the
 42 fees established by the commission in subsection (1) of this section to a solid waste collector who
 43 uses the site, a local government unit that franchises or licenses the collection of solid waste shall
 44 allow the franchisee or licensee to include the amount of the fee in the collection service rate.

45 (6) Except as provided in subsection (7) of this section, moneys collected under this section shall

1 be deposited in the Orphan Site Account created under ORS 465.381 to be used to pay the costs of
2 removal or remedial action of hazardous substances, in excess of the maximum amount collected
3 under ORS 459.311 at:

4 (a) Solid waste disposal sites owned or operated by a local government unit; or

5 (b) Privately owned or operated solid waste disposal sites that receive or received domestic solid
6 waste for which the department determines the responsible party is unknown, unwilling or unable
7 to undertake any portion or phase of a removal or remedial action.

8 (7) The moneys collected under this section, or proceeds of any bond sale under ORS 468.195 for
9 which moneys collected under this section are pledged for repayment shall be made available to a
10 local government unit to pay removal or remedial action costs at a site if:

11 (a) The local government unit is responsible for conducting removal or remedial action under
12 ORS 465.260; and

13 (b) The local government unit repays any moneys equal to the amount that may be raised by the
14 charge imposed under ORS 459.311 and interest on such moneys, in accordance with an agreement
15 between the local government unit and the department. A local government unit is not required to
16 repay the first \$100,000 the local government unit expends on removal or remedial action.

17 (8) As used in this section:

18 (a) "Domestic solid waste" has the meaning given that term in ORS 459A.100.

19 (b) "Person" does not include an individual who transports the individual's own residential solid
20 waste to a disposal site located out of the state.

21 (c) "Removal" and "remedial action" have the [meaning] **meanings** given those terms in ORS
22 465.200.

23 **SECTION 3.** ORS 459A.025 is amended to read:

24 459A.025. (1) According to the requirements of ORS chapter 183, the Environmental Quality
25 Commission shall adopt rules and guidelines necessary to carry out the provisions of ORS 459.005,
26 459.015, 459.035, 459.250, 459.992 (1) and (2), 459.995 and 459A.005 to 459A.665, including but not
27 limited to:

28 (a) Acceptable alternative methods for providing the opportunity to recycle;

29 (b) Education, promotion and notice requirements, which requirements may be different for dis-
30 posal sites and collection systems;

31 (c) Identification of the wastesheds within the state;

32 (d) Identification of the principal recyclable material in each wasteshed;

33 (e) Guidelines for local government units and other persons responsible for implementing the
34 provisions of ORS 459.005, 459.015, 459.035, 459.250, 459.992 (1) and (2), 459.995 and 459A.005 to
35 459A.665; **and**

36 (f) Standards for the joint submission of the recycling reports required under ORS 459A.050
37 (1).[, and]

38 [(g) Subject to prior approval of the Oregon Department of Administrative Services and a report
39 to the Emergency Board prior to adopting the fee, the amount of an annual or permit fee or both under
40 ORS 459.235, 459.245 and 468.065 necessary to carry out the provisions of ORS 459.005, 459.015,
41 459.035, 459.250, 459.992 (1) and (2), 459.995 and 459A.005 to 459A.665.]

42 (2) In adopting rules or guidelines under this section, the commission shall consider:

43 (a) The policy stated in ORS 459.015.

44 (b) Systems and techniques available for recycling, including but not limited to existing recycl-
45 ing programs.

1 (c) Availability of markets for recyclable material.

2 (d) Costs of collecting, storing, transporting and marketing recyclable material.

3 (e) Avoided costs of disposal.

4 (f) Density and characteristics of the population to be served.

5 (g) Composition and quantity of solid waste generated and potential recyclable material found
6 in each watershed.

7 **SECTION 4.** ORS 459A.110 is amended to read:

8 459A.110. (1) In addition to the permit fees provided in ORS 459.235, the Environmental Quality
9 Commission shall establish a schedule of fees for all:

10 (a) Disposal sites that receive domestic solid waste [*except transfer stations*] **or solid waste**
11 **generated outside the state, for final disposal or destruction;** and

12 (b) Persons who transport solid waste out of the State of Oregon **for final disposal or de-**
13 **struction** to a disposal site that receives domestic solid waste.

14 **(2) If the amount of waste tonnage per calendar year subject to the fees established un-**
15 **der subsection (1) of this section falls, for two consecutive calendar years, below 90 percent**
16 **of the amount of waste tonnage subject to the fees as averaged over the 2014 to 2016 calendar**
17 **years, the commission may establish a schedule of fees for disposal sites for composting. A**
18 **fee schedule established under this subsection shall:**

19 **(a) Apply only to tonnage received by a disposal site for composting that is in excess of**
20 **the first 5,000 tons received per year by the disposal site; and**

21 **(b) Remain in effect unless or until the commission determines that a fee under this**
22 **subsection is no longer necessary.**

23 [(2)] **(3) [The schedule adopted under subsection (1)] Fees adopted under subsections (1) and**
24 **(2) of this section shall be based on the estimated tonnage or the actual tonnage, if known, received**
25 **at the site or transported out of state for disposal and any other similar or related factors the**
26 **commission finds appropriate. [The fees collected pursuant to the schedule shall be sufficient to assist**
27 **in the funding of programs to reduce the amount of domestic solid waste generated in Oregon and to**
28 **reduce environmental risks at domestic waste disposal sites.]**

29 [(3)] **(4) For solid waste delivered to a disposal site owned or operated by a metropolitan service**
30 **district, the schedule of fees, but not the permit fees provided in ORS 459.235, established by the**
31 **commission in subsection (1) of this section shall be levied on the district, not the disposal site.**

32 [(4)] **(5) The commission also may require submittal of information related to volumes and**
33 **sources of solid waste if necessary to carry out the activities described in ORS 459A.120. For solid**
34 **waste transported out of the State of Oregon for final disposal or destruction, the required infor-**
35 **mation may include the type of solid waste, the county of origin of the solid waste and the state to**
36 **which the solid waste is transported for final disposal or destruction.**

37 [(5)] **(6) Before transporting or arranging for transport of solid waste out of the State of Oregon**
38 **to a disposal site that receives domestic solid waste, a person shall notify the Department of Envi-**
39 **ronmental Quality in writing.**

40 [(6)(a)] **(7)(a) A local government that franchises or licenses a disposal site that receives do-**
41 **mestic solid waste shall allow the disposal site to pass through the amount of the fees established**
42 **by the commission in [subsection (1)] subsections (1) and (2) of this section to the users of the site.**

43 (b) If a disposal site that receives domestic solid waste passes through all or a portion of the
44 fees established by the commission in [subsection (1)] subsections (1) and (2) of this section to a
45 solid waste collector who uses the site, a local government that franchises or licenses the collection

1 of solid waste shall allow the franchisee or licensee to include the amount of the fee in the col-
2 lection service rate.

3 *[(7) The fees generated under subsection (1) of this section shall be sufficient to accomplish the*
4 *purposes set forth in ORS 459A.120 but shall be no more than 50 cents per ton.]*

5 *[(8) There shall be a fee on solid waste generated out of state. This fee shall be an amount equal*
6 *to the sum of the fees established under subsection (1) of this section and ORS 459A.115 and shall be*
7 *collected in the same manner as fees established under subsection (1) of this section and ORS*
8 *459A.115.]*

9 *[(9)]* (8) As used in this section, “person” does not include an individual who transports the
10 individual’s own residential solid waste to a disposal site located out of the state.

11 **SECTION 5. ORS 459A.115 is repealed.**

12 **SECTION 6. (1) The fees generated under ORS 459A.110 shall be sufficient to accomplish**
13 **the purposes set forth in ORS 459A.120, provided that:**

14 (a) **The fees established under ORS 459A.110 (1) shall be no more than \$1.18 per ton for**
15 **the biennium beginning July 1, 2015; and**

16 (b) **Any per-ton fee on disposal sites for composting under ORS 459A.110 (2) shall be no**
17 **more than the per-ton fee assessed on domestic solid waste disposal under ORS 459A.110 (1),**
18 **less \$0.81 per ton.**

19 (2) **For the biennium beginning July 1, 2017, and each subsequent biennium and subject**
20 **to prior approval by the Oregon Department of Administrative Services, the Environmental**
21 **Quality Commission may:**

22 (a) **Proportionally adjust the fees established under this section and ORS 459A.110 to**
23 **meet revenue needs consistent with the budget authorized by the Legislative Assembly as**
24 **that budget may be modified by the Emergency Board; or**

25 (b) **Adjust for inflation by modifying the amount of the fees established under this section**
26 **and ORS 459A.110 based on the West Region Consumer Price Index for All Urban Consumers**
27 **for All Items, as published by the Bureau of Labor Statistics of the United States Depart-**
28 **ment of Labor.**

29 (3) **Any fee adjustment adopted pursuant to subsection (2) of this section shall be adopted**
30 **not less than six months prior to the date that the fee adjustment will be effective.**

31 (4) **The commission may not adopt a fee adjustment under subsection (2) of this section**
32 **if the adjustment would result in:**

33 (a) **A fee increase or decrease of less than two percent for the biennium for which the**
34 **fee adjustment will be effective; or**

35 (b) **A fee under ORS 459A.110 (1) that is greater than the maximum fee provided for in**
36 **subsection (1)(a) of this section adjusted annually on July 1 by a three percent increase in**
37 **the maximum fee.**

38 (5) **The commission may not adopt more than one fee adjustment under subsection (2)**
39 **of this section each biennium.**

40 **SECTION 6a. (1)(a) By September 30 of each year, the Department of Environmental**
41 **Quality shall provide a rebate of the fees established under ORS 459A.110 to the nine most**
42 **economically distressed counties in this state.**

43 (b) **The department shall annually identify the counties that will receive the rebate pro-**
44 **vided for under this section and, no later than January 31 of each year, provide notice to:**

45 (A) **Each of the economically distressed counties identified by the department that will**

1 receive the rebate calculated under subsection (2) of this section for the calendar year; and

2 (B) Each of the counties that received a rebate during the previous calendar year.

3 (2)(a) For the biennium beginning July 1, 2015, the amount of the rebate provided to an
4 economically distressed county under this section shall be no more than \$0.28 per:

5 (A) Each ton of solid waste disposed that was generated within the economically dis-
6 tressed county during the previous calendar year; or

7 (B) If the department calculates an adjustment under paragraph (c) of this subsection,
8 each adjusted ton of solid waste disposed that was generated within the economically dis-
9 tressed county during the previous calendar year.

10 (b) For the biennium beginning July 1, 2017, and each subsequent biennium, if the Envi-
11 ronmental Quality Commission adjusts the fees established under ORS 459A.110 pursuant to
12 section 6 (2) of this 2015 Act, the commission shall also proportionally adjust the amount of
13 the per-ton rebate specified in paragraph (a) of this subsection.

14 (c)(A) The department shall calculate the total tonnage of solid waste disposed that was
15 generated in a calendar year within all of the economically distressed counties identified
16 under subsection (1) of this section.

17 (B) If the total for all economically distressed counties is greater than 10 percent of all
18 solid waste disposed of in this state during the same calendar year, the department may
19 calculate an adjusted tonnage for each economically distressed county for purposes of cal-
20 culating the rebate provided for under this section.

21 (C) The adjusted tonnage for each economically distressed county shall be proportional
22 to the actual tonnage generated and calculated such that the sum of the adjusted tonnage
23 for all of the economically distressed counties is equal to 10 percent of all solid waste dis-
24 posed of in this state during the calendar year.

25 (3) If a city within an economically distressed county owns and operates a landfill, the
26 department shall distribute the portion of the rebate for the economically distressed county
27 that is calculated based on tons of solid waste disposed that was generated in the county and
28 disposed of at the landfill owned by the city to the city instead of the county.

29 (4) Moneys received by a city or county pursuant to the rebate program provided for
30 under this section may be used only for:

31 (a) Purposes authorized in ORS 459A.120;

32 (b) The operation of solid waste disposal facilities; or

33 (c) The reduction of disposal fees.

34 (5)(a) The commission shall adopt rules to carry out the provisions of this section. Rules
35 adopted under this subsection shall include:

36 (A) A methodology for identifying the most economically distressed counties in this state;
37 and

38 (B) A process for providing rebates to the economically distressed counties.

39 (b) The methodology for identifying economically distressed counties adopted under this
40 subsection may be based on a methodology adopted by the Oregon Business Development
41 Department by rule under ORS 285A.020 and 285A.075.

42 (6) As used in this section:

43 (a) "Landfill" has the meaning given that term in ORS 459.005; and

44 (b) "Solid waste disposed" has the meaning given that term in ORS 459A.010 (4)(h).

45 **SECTION 7.** ORS 459A.120 is amended to read:

1 459A.120. (1) [*Except as provided in ORS 459A.115,*] The fees established by the Environmental
2 Quality Commission under ORS 459A.110 shall be deposited in the General Fund and credited to an
3 account of the Department of Environmental Quality. Such moneys are continuously appropriated
4 to the department to [*carry out the purposes set forth in subsection (2) of this section.*] **fund the up-**
5 **date and implementation of the statewide integrated solid waste management plan under**
6 **ORS 459A.020 and the policies set forth in ORS 459.015.**

7 **(2) Activities that may be funded to carry out the purposes of this section include but**
8 **are not limited to:**

9 **(a) Activities to reduce the environmental and human health impacts of materials at all**
10 **stages of their life cycles, such as:**

11 **(A) Promoting and enhancing waste prevention, recycling and other waste recovery ac-**
12 **tivities;**

13 **(B) Collecting data;**

14 **(C) Researching, planning, developing and applying performance measures;**

15 **(D) Developing standards and educational and promotional activities;**

16 **(E) Supporting markets;**

17 **(F) Demonstrating activities; and**

18 **(G) Managing household hazardous wastes and materials;**

19 **(b) Solid waste planning activities by counties and metropolitan service districts, as ap-**
20 **proved by the department; and**

21 **(c) Providing grants or loans to fund the types of activities listed in paragraphs (a) and**
22 **(b) of this subsection. In providing grants under this paragraph, the department shall give**
23 **preference to providing grants for activities that reduce solid waste generation and exceed**
24 **the requirements of ORS chapter 459A.**

25 [*(2) The fees collected under ORS 459A.110 shall be used only for the following purposes:*]

26 [*(a) Implementation of the provisions of ORS 459.411 to 459.417.*]

27 [*(b) Department of Environmental Quality programs to promote and enhance waste reduction and*
28 *recycling statewide, including data collection, performance measurement, education and promotion,*
29 *market development and demonstration projects.*]

30 [*(c) Department of Environmental Quality activities for ground water monitoring and enforcement*
31 *of ground water protection standards at disposal sites that receive domestic solid waste.*]

32 [*(d) Solid waste planning activities by counties and the metropolitan service district, as approved*
33 *by the department, including planning for special waste disposal, planning for closure of solid waste*
34 *disposal sites, capacity planning for domestic solid waste and regional solid waste planning.*]

35 [*(e) Grants to local government units for recycling and solid waste planning activities.*]

36 [*(f) Payment of administrative costs incurred by the department in accomplishing the purposes set*
37 *forth in this section. The amount allocated under this paragraph shall not exceed 10 percent of the fees*
38 *generated under ORS 459A.110.*]

39 **SECTION 8.** ORS 459.235 is amended to read:

40 459.235. (1) Applications for permits shall be on forms prescribed by the Department of Envi-
41 ronmental Quality. An application shall contain a description of the existing and proposed operation
42 and the existing and proposed facilities at the site, with detailed plans and specifications for any
43 facilities to be constructed. The application shall include a recommendation by each local govern-
44 ment unit having jurisdiction and such other information the department deems necessary in order
45 to determine whether the site and solid waste disposal facilities located thereon and the operation

1 will comply with applicable requirements.

2 (2) The Environmental Quality Commission shall establish a schedule of fees for disposal site
3 permits. The permit fees contained in the schedule shall be based on the anticipated cost of filing
4 and investigating the application, of issuing or denying the requested permit and of an inspection
5 program to determine compliance or noncompliance with the permit.

6 (3) In addition to the fees imposed under subsection (2) of this section, the commission shall
7 establish a schedule of permit fees for the purpose of implementing this section and ORS 90.318,
8 182.375, 279A.125, 279A.155, 279B.025, 279B.240, 279B.270, 279B.280, 459.005, 459.015, 459.247, 459.418,
9 459.995, 459A.005, 459A.010, 459A.020, 459A.030 to 459A.055, 459A.070, 459A.110, [459A.115,]
10 459A.475, 459A.480, 459A.500 to 459A.685, 459A.695 and 459A.750. The fees shall be based on the
11 amount of solid waste received at the disposal site.

12 (4) Notwithstanding any other fee or surcharge imposed under ORS 459.005 to 459.437 or
13 459A.005 to 459A.120, for the disposal of solid waste, in order to encourage the use of suitable ma-
14 terial other than virgin material for daily cover at a disposal site, the only fee that may be charged
15 for the disposal of substitute material that is also used for daily cover is the permit fee established
16 under this section.

17 **SECTION 9.** (1) The amendments to ORS 459.235, 459.236 and 459A.025 by sections 1 to 3
18 of this 2015 Act become operative on July 1, 2016.

19 (2) Sections 6 and 6a of this 2015 Act, the amendments to ORS 459.235, 459A.110 and
20 459A.120 by sections 4, 7 and 8 of this 2015 Act and the repeal of ORS 459A.115 by section 5
21 of this 2015 Act become operative on April 1, 2016.

22 **SECTION 10.** Fees imposed pursuant to section 6 of this 2015 Act, the amendments to
23 ORS 459.235, 459.236, 459A.025, 459A.110 and 459A.120 by sections 1 to 4 and 7 of this 2015 Act
24 and the repeal of ORS 459A.115 by section 5 of this 2015 Act shall first become due and pay-
25 able no earlier than July 1, 2016.

26 **SECTION 11.** The Environmental Quality Commission and the Department of Environ-
27 mental Quality may take any action before the operative dates specified in section 9 of this
28 2015 Act that is necessary for the commission or the department to exercise, on and after
29 the operative dates specified in section 9 of this 2015 Act, all of the duties, functions and
30 powers conferred on the commission or the department by sections 6 and 6a of this 2015 Act,
31 the amendments to ORS 459.235, 459.236, 459A.025, 459A.110 and 459A.120 by sections 1 to 4
32 and 7 of this 2015 Act and the repeal of ORS 459A.115 by section 5 of this 2015 Act.

33
34 **2019 FUNDING ADJUSTMENTS**
35

36 **SECTION 12.** ORS 459.236, as amended by section 2 of this 2015 Act, is amended to read:

37 459.236. (1) In addition to the permit fees provided in ORS 459.235, upon prior approval by the
38 Oregon Department of Administrative Services and a report to the Emergency Board prior to
39 adopting the fees, there is imposed a fee on all:

40 (a) Disposal sites that receive domestic solid waste, **building demolition or construction**
41 **wastes, land clearing debris, waste tires** or solid waste generated outside the state, for final dis-
42 posal or destruction; and

43 (b) Persons who transport solid waste out of the State of Oregon for final disposal or destruction
44 to a disposal site that receives domestic solid waste, **building demolition or construction wastes,**
45 **land clearing debris or waste tires.**

1 (2) The amount raised under subsection (1) of this section shall be up to \$1 million per year,
2 based on the estimated tonnage or the actual tonnage, if known, received at the site or transported
3 out of state for final disposal or destruction and any other similar or related factors the Environ-
4 mental Quality Commission finds appropriate. Such fees shall be within the budget authorized by the
5 Legislative Assembly as that budget may be modified by the Emergency Board.

6 (3) For solid waste delivered to a disposal site owned and operated by a metropolitan service
7 district, the fee imposed under subsection (1) of this section shall be levied on the district, not the
8 disposal site.

9 (4) Before transporting or arranging for transport of solid waste out of the State of Oregon to
10 a disposal site that receives domestic solid waste, a person shall notify the Department of Environ-
11 mental Quality in writing.

12 (5)(a) A local government unit that franchises or licenses a domestic solid waste site shall allow
13 the disposal site to pass through the amount of the fees established by the commission in subsection
14 (1) of this section to the users of the site.

15 (b) If a disposal site that receives domestic solid waste passes through all or a portion of the
16 fees established by the commission in subsection (1) of this section to a solid waste collector who
17 uses the site, a local government unit that franchises or licenses the collection of solid waste shall
18 allow the franchisee or licensee to include the amount of the fee in the collection service rate.

19 (6) Except as provided in subsection (7) of this section, moneys collected under this section shall
20 be deposited in the Orphan Site Account created under ORS 465.381 to be used to pay the costs of
21 removal or remedial action of hazardous substances, in excess of the maximum amount collected
22 under ORS 459.311 at:

23 (a) Solid waste disposal sites owned or operated by a local government unit; or

24 (b) Privately owned or operated solid waste disposal sites that receive or received domestic solid
25 waste for which the department determines the responsible party is unknown, unwilling or unable
26 to undertake any portion or phase of a removal or remedial action.

27 (7) The moneys collected under this section, or proceeds of any bond sale under ORS 468.195 for
28 which moneys collected under this section are pledged for repayment shall be made available to a
29 local government unit to pay removal or remedial action costs at a site if:

30 (a) The local government unit is responsible for conducting removal or remedial action under
31 ORS 465.260; and

32 (b) The local government unit repays any moneys equal to the amount that may be raised by the
33 charge imposed under ORS 459.311 and interest on such moneys, in accordance with an agreement
34 between the local government unit and the department. A local government unit is not required to
35 repay the first \$100,000 the local government unit expends on removal or remedial action.

36 (8) As used in this section:

37 (a) "Domestic solid waste" has the meaning given that term in ORS 459A.100.

38 (b) "Person" does not include an individual who transports the individual's own residential solid
39 waste to a disposal site located out of the state.

40 (c) "Removal" and "remedial action" have the meanings given those terms in ORS 465.200.

41 **SECTION 13.** ORS 459A.110, as amended by section 4 of this 2015 Act, is amended to read:

42 459A.110. (1) In addition to the permit fees provided in ORS 459.235, the Environmental Quality
43 Commission shall establish a schedule of fees for all:

44 (a) Disposal sites that receive domestic solid waste, **building demolition or construction**
45 **waste, land clearing debris, waste tires** or solid waste generated outside the state, for final dis-

1 posal or destruction; and

2 (b) Persons who transport solid waste out of the State of Oregon for final disposal or destruction
3 to a disposal site that receives domestic solid waste, **building demolition or construction waste,**
4 **land clearing debris or waste tires.**

5 (2) If the amount of waste tonnage per calendar year subject to the fees established under sub-
6 section (1) of this section falls, for two consecutive calendar years, below 90 percent of the amount
7 of waste tonnage subject to the fees as averaged over the 2014 to 2016 calendar years, the com-
8 mission may establish a schedule of fees for disposal sites for composting. A fee schedule established
9 under this subsection shall:

10 (a) Apply only to tonnage received by a disposal site for composting that is in excess of the first
11 5,000 tons received per year by the disposal site; and

12 (b) Remain in effect unless or until the commission determines that a fee under this subsection
13 is no longer necessary.

14 (3) Fees adopted under subsections (1) and (2) of this section shall be based on the estimated
15 tonnage or the actual tonnage, if known, received at the site or transported out of state for disposal
16 and any other similar or related factors the commission finds appropriate.

17 (4) For solid waste delivered to a disposal site owned or operated by a metropolitan service
18 district, the schedule of fees, but not the permit fees provided in ORS 459.235, established by the
19 commission in subsection (1) of this section shall be levied on the district, not the disposal site.

20 (5) The commission also may require submittal of information related to volumes and sources
21 of solid waste if necessary to carry out the activities described in ORS 459A.120. For solid waste
22 transported out of the State of Oregon for final disposal or destruction, the required information
23 may include the type of solid waste, the county of origin of the solid waste and the state to which
24 the solid waste is transported for final disposal or destruction.

25 (6) Before transporting or arranging for transport of solid waste out of the State of Oregon to
26 a disposal site that receives domestic solid waste, a person shall notify the Department of Environ-
27 mental Quality in writing.

28 (7)(a) A local government that franchises or licenses a disposal site that receives domestic solid
29 waste shall allow the disposal site to pass through the amount of the fees established by the com-
30 mission in subsections (1) and (2) of this section to the users of the site.

31 (b) If a disposal site that receives domestic solid waste passes through all or a portion of the
32 fees established by the commission in subsections (1) and (2) of this section to a solid waste collector
33 who uses the site, a local government that franchises or licenses the collection of solid waste shall
34 allow the franchisee or licensee to include the amount of the fee in the collection service rate.

35 (8) As used in this section, "person" does not include an individual who transports the
36 individual's own residential solid waste to a disposal site located out of the state.

37 **SECTION 14. The amendments to ORS 459.236 and 459A.110 by sections 12 and 13 of this**
38 **2015 Act become operative on April 1, 2019.**

39 **SECTION 15. Fees imposed pursuant to the amendments to ORS 459.236 and 459A.110 by**
40 **sections 12 and 13 of this 2015 Act shall first become due and payable no earlier than July**
41 **1, 2019.**

42 **SECTION 16. The Environmental Quality Commission and the Department of Environ-**
43 **mental Quality may take any action before the operative date specified in section 14 of this**
44 **2015 Act that is necessary for the commission or the department to exercise, on and after**
45 **the operative date specified in section 14 of this 2015 Act, all of the duties, functions and**

1 powers conferred on the commission or the department by the amendments to ORS 459.236
2 and 459A.110 by sections 12 and 13 of this 2015 Act.

3
4 **OUT-OF-REGION FEE DIFFERENTIAL REPEALED**

5
6 **SECTION 17. ORS 459.112 and 459.114 are repealed.**

7
8 **REPORT**

9
10 **SECTION 18. No later than October 31, 2022, the Department of Environmental Quality**
11 **shall submit a report in the manner provided by ORS 192.245, and may include recommen-**
12 **dations for legislation, to the interim committees of the Legislative Assembly having subject**
13 **matter jurisdiction over the environment and natural resources. The report shall include:**

14 (1) **Information on options for sustainable and adequate funding of solid waste manage-**
15 **ment, prevention, reuse and recycling programs;**

16 (2) **An evaluation of the effectiveness and value of the fee rebate program provided for**
17 **under section 6a of this 2015 Act; and**

18 (3) **Information on the implementation of the state's plan for an integrated system of**
19 **materials and waste management in the State of Oregon, as adopted in accordance with ORS**
20 **459A.020.**

21
22 **UNIT CAPTIONS**

23
24 **SECTION 19. The unit captions used in this 2015 Act are provided only for the conven-**
25 **ience of the reader and do not become part of the statutory law of this state or express any**
26 **legislative intent in the enactment of this 2015 Act.**