



Solid Waste Surcharge

Waste and Hazardous Materials Division
November 6, 2008



Solid Waste Management Program

*Part 115, Solid Waste Management, of the
Natural Resources and Environmental
Protection Act, 1994 PA 451, as amended*



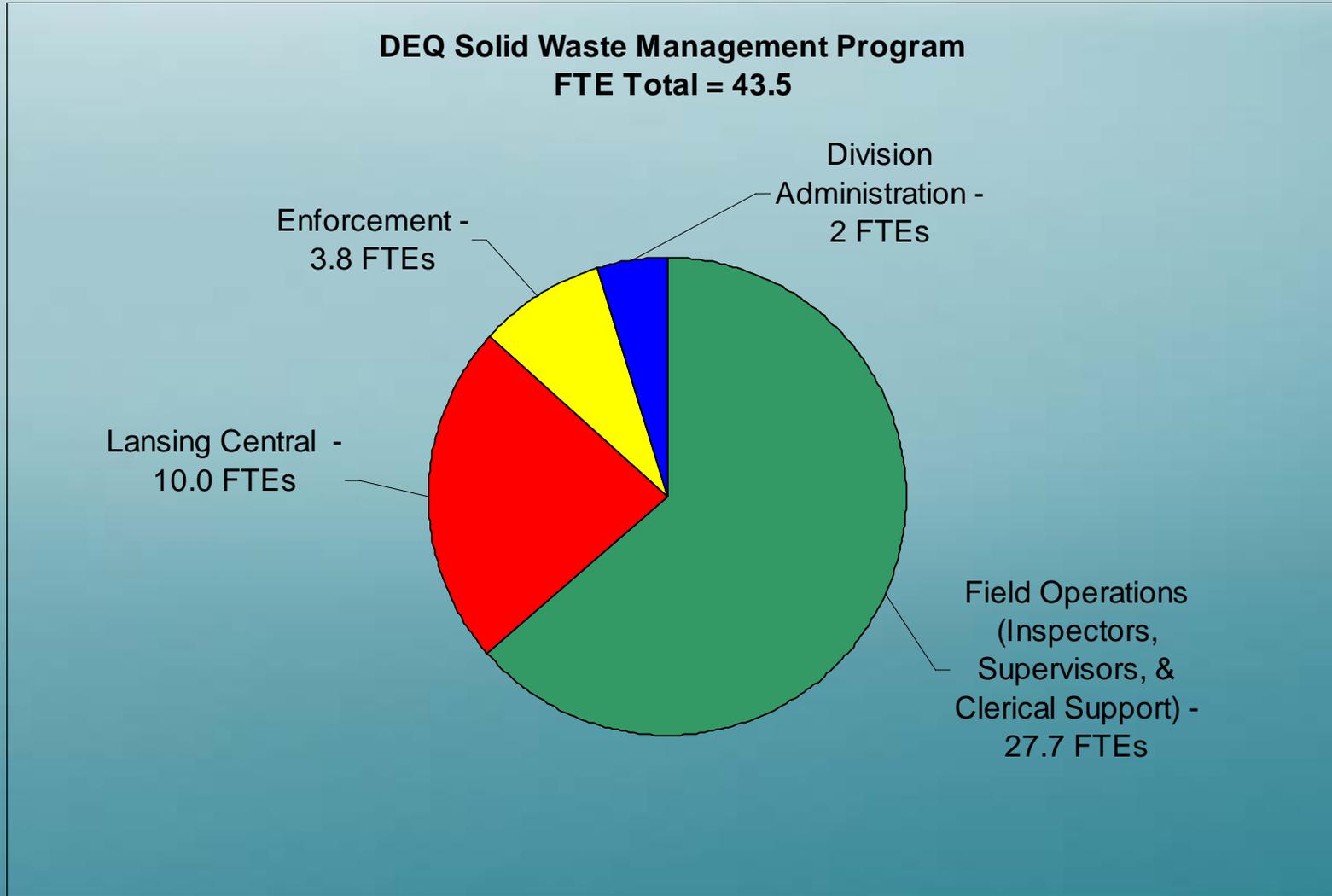
Solid Waste Management Program

- Inspection, evaluation, permitting, and licensing of solid waste disposal areas (landfills, transfer facilities, and processing plants)
- Technical assistance, evaluations, and approvals for the characterization and beneficial use of solid waste
- Assistance to local communities for recycling and composting
- Assistance and approval for county Solid Waste Management Plans
- Collection and reporting of statewide solid waste disposal and capacity data, including information on solid waste imports
- Monitor outstanding Solid Waste Alternatives Program (SWAP) Grants
- Compliance and enforcement activities
- Monitoring and oversight of solid waste facility operations



FY 08 Overview

- 150 regulated facilities--landfills, transfer stations, and processing plants
- Reviewed and approved 4 county Solid Waste Management Plan amendments
- FY 07: 914 compliance inspections; 221 complaint inspections (of 348 complaints received)
- 149 violation letters issued
- Ongoing enforcement actions
- 99 registered composting facilities; 20 registered composting facility inspections
- Processed 18 operating license applications and 11 construction permit applications for solid waste disposal areas
- As of FY 07, 24 Type II facilities had groundwater contamination
 - 21 of these sites have approved Remedial Action Plans
 - 6 are in the process of revising
 - 8 sites are under investigation





- *Effective/Efficient*
- *Meeting Deadlines for Reports and Permit/License Decisions*
- *Subject to Audits and Internal Control Evaluations*
- *Initiatives*
- *Delayed Update to County Plans*



Solid Waste Program Revenue

<i>Revenue Source</i>	<i>FY 07</i>	<i>FY 08</i>	<i>FY 09</i>
<i>General Fund</i>	<i>\$0</i>	<i>\$510,500</i>	<i>\$498,400</i>
<i>Waste Reduction Fees</i>	<i>\$71,800</i>	<i>\$74,600</i>	<i>\$74,900</i>
<i>Surcharge</i>	<i>\$4,055,000</i>	<i>*\$4,000,000</i>	<i>*\$3,800,000</i>
<i>Total</i>	<i>\$4,126,800</i>	<i>*\$4,585,100</i>	<i>*\$4,373,300</i>

**Estimated*



Origin of Surcharge

**Program Costs
(\$3.9 Million)**

**approximately
\$0.07/cubic yard
surcharge**

or

**approximately
\$0.21/ton
surcharge**

**Volume Landfilled in 2002
(57,085,321 yd³)**

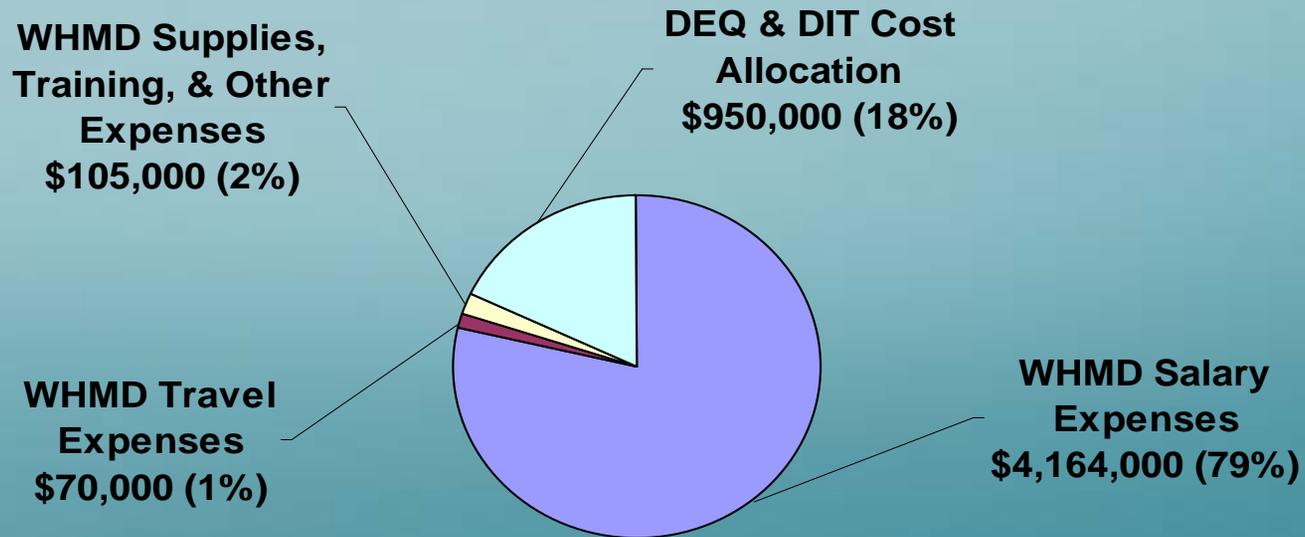
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Evaluation of Surcharge

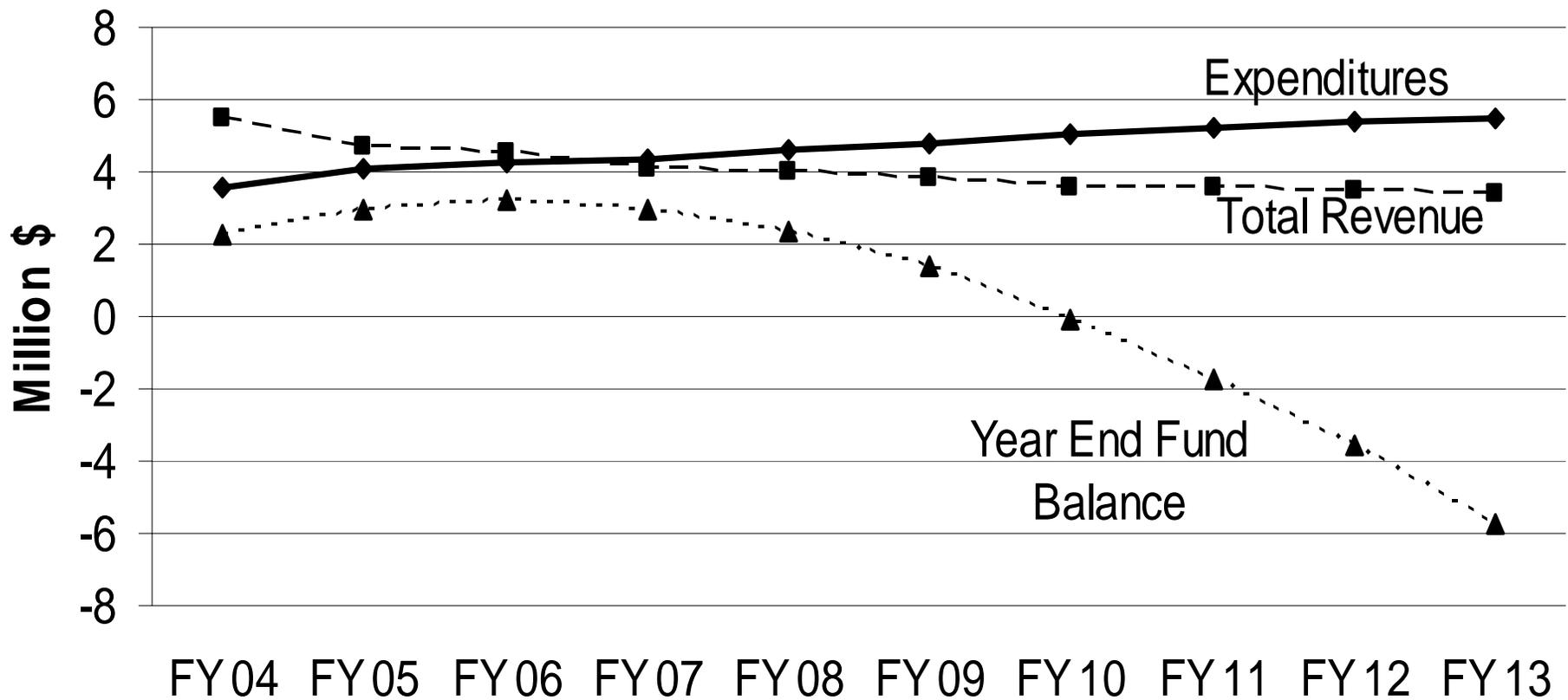
- *Easy to Pay and Collect*
 - *100% Collection Rate*
- *Simplified Nature*
 - *Self-Implementing (no invoices or additional staff required)*
- *Broad-Based*
- *Stable*
- *Equitable*
- *Effective for Generating Target Revenue*
- *Needs to be Continued*
- *Needs to be Increased*

DEQ Solid Waste Management Program Projected FY 09 Expenditures



Sources of Program Funding:
Solid Waste Surcharge (90%)
GF/GP (9%)
Waste Reduction Fee Revenue (1%)

Solid Waste Management Fund (Solid Waste Staff Account)





Proposed Program Funding Change

- Increase Surcharge fee to ensure adequate revenue to support the core program level of staffing and services for the Solid Waste Management Program*
- Assess the fee by weight (per ton) as opposed to volume (per cubic yard)*



Why Do We Need an Increase?

- The current Solid Waste Surcharge was intended to get us through the initial sunset of October 1, 2007*
- Sunset was extended until October 1, 2011, but the Surcharge was not increased*
- The current Surcharge does not bring in enough revenue to support the core program level of staffing and services through FY 10*



Tons v. Cubic Yards

To increase consistency and accuracy in reporting waste disposal and collecting the fee, the Surcharge would be assessed by weight instead of volume

- Most landfills have scales*
- Errors in conversion factors*
- National reporting typically in tons*
- Utilization (recycling) tracked in tons*



Proposed Fee Schedule

Type of Landfill	Annual Volume	Fiscal Year	Fee
Type II and Commercial Type III	17,000,000 tons (Based on projected FY 09 quantities of solid waste disposed. Subsequent years reflect a projected continuing decline in quantities of solid waste disposed.)	FY 09 (Current)	\$0.21 per ton
		FY 10	\$0.31 per ton
		FY 11	\$0.34 per ton
		FY 12	\$0.34 per ton
		FY 13	\$0.37 per ton
Type III Captive	Up to 24,999 tons	FY 09 (Current)	\$500 per year
	25,000 tons to 49,999 tons		\$1,000 per year
	50,000 tons to 74,999 tons		\$2,000 per year
	75,000 tons to 99,999 tons		\$2,500 per year
	100,000 tons or more		\$3,000 per year
	Up to 24,999 tons	FY 10 to FY 13	\$1,000 per year
	25,000 tons to 49,999 tons		\$2,000 per year
	50,000 tons to 74,999 tons		\$4,000 per year
	75,000 tons to 99,999 tons		\$5,000 per year
	100,000 tons or more		\$6,000 per year



Program Reductions Without Fees

Without the proposed fee increase, Program reductions will be necessary in FY 10. With fewer staff, there will be negative impacts, such as:

- Failure to timely detect and require corrective action for releases from landfills, putting off-site sources of drinking water at risk.*
- Increased disposal of prohibited wastes and increased odor and blowing trash complaints due to fewer inspections and evaluations of landfills.*



- *Issuance of permits and licenses by default due to the inability to provide timely review of applications within statutory deadlines.*
- *Erosion of local control of solid waste management due to the inability to maintain the county solid waste management planning program and initiate the next plan updates.*
- *Inability to pursue stakeholder recommendations to improve recycling and planning in the state and to take a leadership role in setting and implementing the statewide Solid Waste Policy.*



Draft Legislation will Include:

- Sunset extended to October 1, 2013*
- The increased Surcharge fee schedule effective October 1, 2010*
- Fee will be assessed by weight (per ton) as opposed to volume (per cubic yard)*

Questions?