

## **SOLID WASTE SURCHARGE FEE**

### **House Bill 4665**

**Sponsor: Rep. Eileen Kowall**

**House Committee: Appropriations**

**Complete to 5-20-13**

## **A SUMMARY OF HOUSE BILL AS INTRODUCED 5-2-13**

House Bill 4665 would amend Part 115 (Solid Waste Management) of the Natural Resources and Environmental Protection Act (NREPA) to extend the sunset of the Solid Waste Surcharge Fee from the current sunset of September 30, 2013 to September 30, 2015. Currently, the surcharge fee is \$0.12 per cubic yard and is assessed on solid wastes that are landfilled within Michigan.

## **BACKGROUND INFORMATION:**

The Department of Environmental Quality (DEQ) has the responsibility to regulate the transfer, processing, and disposal of solid wastes within the state. The Department also oversees the beneficial use of wastes and the administration of the county solid waste management planning programs. In addition to inspecting the 74 currently open active landfills in Michigan, the DEQ has the responsibility to regularly monitor and inspect the additional 83 landfills that are now closed or in the process of closure.

The current Solid Waste Surcharge Fee is \$0.12 per cubic yard of solid waste that is landfilled in Michigan. The surcharge is established in MCL 324.11525a and will sunset on September 30, 2013. The bill extends this sunset until 2015.

The fee is not paid directly by landfill customers, but is paid by the owners and operators of the 74 solid waste landfills in the state. About 85 percent of the owners and operators are businesses and 15 percent are municipalities. The landfills are located throughout the state with 14 operating in the Upper Peninsula. The amount of the surcharge fee they pay is based upon the amount of waste that is disposed each year. In FY 2012, there was 34.6 million cubic yards of solid waste disposed in Michigan landfills.

## **FISCAL IMPACT:**

The Solid Waste Surcharge Fees include the \$0.12 per cubic yard fee as well as facility specific annual fees that are based on the amount of waste a facility receives. These fees are anticipated to generate approximately \$4.5 million in revenue in FY 2013-14. Of this revenue, the Department will expend \$4.4 million to fund the Solid Waste Management Program.

If the fee sunset is not extended by September 30, 2013, then the DEQ would no longer have the statutory authority to collect the \$0.12 per cubic waste Solid Waste Surcharge Fee and the revenue it provides.

Fiscal Analyst: Viola Bay Wild

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