

FISCAL IMPACT OF PROPOSED LEGISLATION

81st Oregon Legislative Assembly – 2021 Regular Session
Legislative Fiscal Office

Measure: SB 57 - A

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

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Measure Description:

Modifies fees for disposal of hazardous wastes.

Government Unit(s) Affected:

Department of Environmental Quality (DEQ)

Summary of Fiscal Impact:

Costs related to the measure may require budgetary action - See analysis.

Analysis:

SB 57 - A modifies fees charged by the Department of Environmental Quality (DEQ) for the disposal of certain types of waste. Under this measure, three types of hazardous waste would now have a disposal fee of \$20 per ton. Previously, this tonnage fee was charged on a tiered system, with costs per ton decreasing as the amount of waste increased. This includes polychlorinated biphenyls (PCBs), hazardous waste subject to regulation as a result of removal or remedial action in response to environmental contamination, or hazardous waste from corrective action or closure of a waste management unit.

The measure also increases the disposal fee, often referred to as a “tipping fee”, for other types of waste from \$2 per ton to \$5 per ton. This includes non-hazardous solid waste, certain solid wastes from cleanup activities, and certain wastes that have been treated so they are no longer considered hazardous.

Finally, this measure makes two administrative changes related to fee revenues. First, all fee revenues discussed here are to be deposited into the State Treasury and continuously appropriated to DEQ for management of hazardous waste and to undertake remedial actions described in ORS 465.381 (5). Previously, fee revenue was split between a hazardous waste account and an account for remedial actions. By combining the two accounts, this will provide DEQ with more flexibility to utilize all fees collected to address hazardous waste and environmental cleanup activities. Second, this measure allows DEQ to proportionally adjust these fees, and monthly operator fees charged under ORS 465.375, to meet but not exceed the cost to carry out hazardous substance remedial actions and other duties related to storage, treatment, and disposal of hazardous waste and PCBs. This change would allow DEQ, through the Environmental Quality Commission, to administratively increase the fees rather than through a proposed statutory change. Any increase adopted administratively would then require ratification by the Legislature under ORS 291.055.

DEQ reports that this measure will increase revenue by approximately \$225,000 per biennium, based on historical analysis of disposal tonnage. However, there is some uncertainty about the additional amount that will be collected over the next two biennia. An increase in fees could cause some waste to be disposed of in other states, but a strong economic recovery following the COVID-19 pandemic could cause waste tonnage to increase.

This measure takes effect on the 91st day after the Legislative Assembly adjourns sine die, and contains an operative date of January 1, 2022. DEQ is authorized to take any action before the operative date in order to enact this measure.

This measure is linked to Policy Option Package 133 in DEQ's 2021-23 budget request. This measure warrants a subsequent referral to the Joint Committee on Ways and Means for consideration of its budgetary impact.