

House Energy 2/14 Do Pass 3/15

FILED JAN 20 1990

SENATE FILE 2181
BY COMMITTEE ON ENVIRONMENT
AND ENERGY UTILITIES
Amended (of 255)
(SUCCESSOR TO SSB 2071)

Passed Senate, Date 2-7-90 (p.453) Passed House, Date 3/12/90 (p.1051)
Vote: Ayes 48 Nays 0 Vote: Ayes 92 Nays 0
Approved March 27, 1990

A BILL FOR

1 An Act altering the penalty for late payment of the solid waste
2 tonnage fee.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

SF 2181

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1 Section 1. Section 455B.310, subsection 6, Code 1989, is
2 amended to read as follows:

3 6. A person required to pay fees by this section who fails
4 or refuses to pay the fees imposed by this section shall be
5 assessed a penalty of ~~fifteen~~ two percent of the fee due for
6 each month the fee is overdue. The penalty shall be paid in
7 addition to the fee due.

8 EXPLANATION

9 This bill changes the penalty for late payment of the solid
10 waste tonnage fee from a fixed fifteen percent penalty,
11 regardless of the length of the delay, to a penalty of two
12 percent for each month the fee is overdue. Under the new
13 penalty provision a person could pay a higher or lower penalty
14 compared to current law, depending upon the length of the
15 delay in the payment of the fee.

16 This bill may include a state mandate as defined in section
17 25B.3.

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CONNOLLY, CH.
STURGEON
HEAD

SSB 2071
ENVIRONMENT &
ENERGY UTILITIES
SENATE FILE 2181
BY (PROPOSED DEPARTMENT OF
NATURAL RESOURCES BILL)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

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18 BACKGROUND STATEMENT

19 SUBMITTED BY THE AGENCY

20 Tonnage fees collected for solid waste disposal are to be
21 transferred to the department of natural resources for use in
22 accordance with the terms of the groundwater protection Act.
23 The current flat rate penalty for late payment of tonnage fees
24 provides for inequities that this bill's proposed monthly
25 penalty eliminates. Currently, if the fee is even a few days
26 late, the fifteen percent penalty is imposed. Once the late
27 payment penalty is triggered, there is no added penalty no
28 matter how long the payment is overdue. As a result, once a
29 payment is late, it benefits the payee to delay payment as
30 long as possible, because interest may be earned to offset the
31 fixed fifteen percent penalty. This proposal results in a
32 very minimal late fee initially, but it accumulates at a rate
33 which defeats the current advantages of delay.

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each month the fee is overdue. The penalty shall be paid in addition to the fee due.

JO ANN ZIMMERMAN
President of the Senate

DONALD D. AVENSON
Speaker of the House

SENATE FILE 2181

AN ACT
ALTERING THE PENALTY FOR LATE PAYMENT OF THE SOLID WASTE
TONNAGE FEE.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 455B.310, subsection 6, Code 1989, is amended to read as follows:

6. A person required to pay fees by this section who fails or refuses to pay the fees imposed by this section shall be assessed a penalty of fifteen two percent of the fee due for

I hereby certify that this bill originated in the Senate and is known as Senate File 2181, Seventy-third General Assembly.

JOHN F. DWYER
Secretary of the Senate
Approved *March 27*, 1990

TERRY E. BRANSTAD
Governor

SF 2181