

3/5/98 approp.

FEB 24 1998

Place On Calendar

HOUSE FILE 2411  
BY COMMITTEE ON ENVIRONMENTAL  
PROTECTION

(SUCCESSOR TO HF 2156)

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

**A BILL FOR**

1 An Act relating to solid waste tonnage fees, the allocation of  
2 taxes on solid waste collection, and disposal service and  
3 making appropriations.

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

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HF 2411

1 Section 1. Section 422.43, subsection 8, Code Supplement  
2 1997, is amended to read as follows:

3 8. All revenues arising under the operation of the  
4 provisions of this section, except for those revenues arising  
5 under subsection 13, shall become part of the state general  
6 fund.

7 Sec. 2. Section 422.43, subsection 13, Code Supplement  
8 1997, is amended by adding the following new paragraph:

9 NEW PARAGRAPH. c. All revenues arising under this  
10 subsection shall be deposited in the solid waste account of  
11 the groundwater protection fund and allocated to fund  
12 alternatives to landfills pursuant to section 455E.11,  
13 subsection 2, paragraph "a", subparagraph (1).

14 Sec. 3. Section 455B.301, Code 1997, is amended by adding  
15 the following new subsections:

16 NEW SUBSECTION. 11A. "Municipal solid waste landfill"  
17 means a sanitary landfill that is a discrete area of land or  
18 an excavation that receives household waste, and that is not a  
19 land application site, surface impoundment, injection well, or  
20 waste pile, as those terms are defined under 40 C.F.R. part  
21 257.2. A "municipal solid waste landfill" may also receive  
22 other types of waste as defined under 40 C.F.R. subtitle D,  
23 such as commercial solid waste, nonhazardous dry sludge, and  
24 industrial solid waste.

25 NEW SUBSECTION. 21. "Transfer station" means a fixed or  
26 mobile intermediate sanitary disposal project for transferring  
27 loads of solid waste, with or without reduction of volume, to  
28 another transportation unit.

29 Sec. 4. Section 455B.304, subsection 15, Code Supplement  
30 1997, is amended to read as follows:

31 15. The commission shall adopt rules which require all  
32 sanitary ~~landfills~~ disposal projects in which the tonnage fee  
33 pursuant to section 455B.310 is imposed, to install scales by  
34 January-17-1994 and utilize these scales to calculate payment  
35 of the tonnage fee.

1     Sec. 5. Section 455B.310, subsections 1, 2, 3, and 6, Code  
2 1997, are amended to read as follows:

3     1. a. A tonnage fee is imposed on each ton of solid waste  
4 generated or landfilled in the state. Operators of sanitary  
5 landfills and operators of transfer stations shall pay the  
6 tonnage fee as provided in this section. The tonnage fee  
7 shall not be applied to the same solid waste more than once.

8     b. Except as provided in subsection 3, the operator of a  
9 sanitary landfill which does not qualify under paragraph "d"  
10 shall pay a tonnage fee to the department for each ton or  
11 equivalent-volume of solid waste received and disposed of at  
12 the sanitary landfill during the preceding reporting period.  
13 The department shall determine by rule the volume which is  
14 equivalent to a ton of waste.

15     c. The operator of a transfer station shall pay a tonnage  
16 fee to the department for each ton of solid waste received by  
17 the transfer station and transported from the transfer station  
18 during the preceding reporting period for landfilling in a  
19 sanitary landfill not paying the tonnage fee imposed under  
20 this section.

21     d. The operator of a solid waste disposal facility with  
22 special provisions which limit the site to disposal of  
23 construction and demolition waste shall pay a tonnage fee to  
24 the department for each ton of construction and demolition  
25 waste received and disposed of at the disposal facility during  
26 the preceding reporting period. An operator of a municipal  
27 solid waste landfill with an area of the landfill which has  
28 been designated exclusively for the disposal of construction  
29 and demolition waste on plans and specifications approved by  
30 the department shall be exempt through June 30, 2001, or for  
31 the permitted life of the designated area, whichever occurs  
32 first, from paying the tonnage fee provided for in this  
33 paragraph if the municipal solid waste landfill meets one of  
34 the following conditions:

35     (1) The area of the landfill, which has been designated

1 exclusively for the disposal of construction and demolition  
2 waste based on plans and specifications approved by the  
3 department, was in operation on December 1, 1997.

4 (2) The area of the landfill, which has been designated  
5 exclusively for the disposal of construction and demolition  
6 waste based on plans and specifications approved by the  
7 department, was not in operation on December 1, 1997, but  
8 applied to the department for an exemption prior to December  
9 1, 1997.

10 2. The tonnage fee is four dollars and twenty-five cents  
11 per ton of solid waste.

12 2A. If a sanitary landfill or transfer station required to  
13 pay a tonnage fee under this section has an updated,  
14 comprehensive plan approved by the department, the sanitary  
15 landfill operator or transfer station operator shall retain,  
16 in addition to the ninety-five cents retained pursuant to  
17 subsection 2B, twenty-five cents of the tonnage fee per ton of  
18 solid waste received in the fiscal year beginning July 1,  
19 1998, fifty cents of the tonnage fee per ton of solid waste  
20 received in the fiscal year beginning July 1, 1999, seventy-  
21 five cents of the tonnage fee per ton of solid waste received  
22 in the fiscal year beginning July 1, 2000, and one dollar of  
23 the tonnage fee per ton of solid waste received in the fiscal  
24 year beginning July 1, 2001, and every year thereafter. Any  
25 tonnage fees retained pursuant to this subsection shall be  
26 used for waste reduction and recycling purposes. Any tonnage  
27 fee retained pursuant to this subsection shall be taken from  
28 that portion of the tonnage fee which would have been  
29 allocated to funding alternatives to landfills pursuant to  
30 section 455E.11, subsection 2, paragraph "a", subparagraph  
31 (1). Tonnage fees retained under this subsection and section  
32 455D.3, subsection 3, shall not exceed a total of one dollar  
33 and seventy-five cents.

34 2B. ~~Of that amount, ninety-five~~ Ninety-five cents of the  
35 tonnage fee shall be retained by a city, county, or public or

1 private agency and used as follows:

2 a. To meet comprehensive planning requirements of section  
3 455B.306, the development of a closure or postclosure plan,  
4 the development of a plan for the control and treatment of  
5 leachate including the preparation of facility plans and  
6 detailed plans and specifications, and the preparation of a  
7 financial plan.

8 b. Forty-five cents of the retained funds shall be used  
9 for implementing waste volume reduction and recycling  
10 requirements of comprehensive plans filed under section  
11 455B.306. The funds shall be distributed to a city, county,  
12 or public agency served by the sanitary disposal project.  
13 Fees collected by a private agency which provides for the  
14 final disposal of solid waste shall be remitted to the city,  
15 county, or public agency served by the sanitary disposal  
16 project. However, if a private agency is designated to  
17 develop and implement the comprehensive plan pursuant to  
18 section 455B.306, fees under this paragraph shall be retained  
19 by the private agency.

20 c. For other environmental protection and-compliance  
21 activities.

22 d. Each sanitary landfill or transfer station owner or  
23 operator shall submit a return to the department identifying  
24 the use of all fees retained under this subsection section  
25 including the manner in which the fees were distributed. The  
26 return shall be submitted concurrently with the return  
27 required under subsection 5.

28 2C. Solid waste materials approved by the department for  
29 lining or capping, or for construction berms, dikes, or roads  
30 in a sanitary disposal project are exempt from the tonnage fee  
31 imposed under this section.

32 3. Solid waste disposal facilities with special provisions  
33 which limit the site to disposal of construction-and  
34 demolition-waste, landscape-waste, coal combustion waste, or  
35 foundry sand, and-solid-waste-materials-approved-by-the

1 ~~department-for-lining-or-capping,-or-for-construction-berms,~~  
2 ~~dikes,-or-roads-in-a-sanitary-disposal-project-or-sanitary~~  
3 ~~landfill~~ are exempt from the tonnage fees imposed under this  
4 section. However, solid waste disposal facilities under this  
5 subsection are subject to the fees imposed pursuant to section  
6 455B.105, subsection 11, paragraph "a". Notwithstanding the  
7 provisions of section 455B.105, subsection 11, paragraph "b",  
8 the fees collected pursuant to this subsection shall be  
9 deposited in the solid waste account as established in section  
10 455E.11, subsection 2, paragraph "a", to be used by the  
11 department for the regulation of these solid waste disposal  
12 facilities.

13 6. A person required to pay fees by this section who fails  
14 or refuses to pay the fees imposed by this section or who  
15 fails or refuses to provide the return required by this  
16 section shall be assessed a penalty of two percent of the fee  
17 due for each month the fee or return is overdue. The penalty  
18 shall be paid in addition to the fee due.

19 Sec. 6. Section 455D.3, subsection 3, Code 1997, is  
20 amended to read as follows:

21 3. DEPARTMENTAL MONITORING.

22 a. By October 31, 1994, a planning area shall submit to  
23 the department a solid waste abatement table which is updated  
24 through June 30, 1994. By April 1, 1995, the department shall  
25 report to the general assembly on the progress that has been  
26 made by each planning area on attainment of the July 1, 1994,  
27 twenty-five percent goal.

28 If at any time the department determines that a planning  
29 area has met or exceeded the twenty-five percent goal, a  
30 planning area shall subtract fifty cents from the total amount  
31 of the tonnage fee imposed pursuant to section 455B.3107  
32 ~~subsection-2~~. The reduction in tonnage fees pursuant to this  
33 paragraph shall be taken from that portion of the tonnage fees  
34 which would have been allocated for funding alternatives to  
35 landfills pursuant to section 455E.11, subsection 2, paragraph

1 "a", subparagraph (1).

2 If the department determines that a planning area has  
3 failed to meet the July 1, 1994, twenty-five percent goal, the  
4 planning area shall, at a minimum, implement the solid waste  
5 management techniques as listed in subsection 4. Evidence of  
6 implementation of the solid waste management techniques shall  
7 be documented in subsequent comprehensive plans submitted to  
8 the department.

9 b. By October 31, 2000, a planning area shall submit to  
10 the department, a solid waste abatement table which is updated  
11 through June 30, 2000. By April 1, 2001, the department shall  
12 report to the general assembly on the progress that has been  
13 made by each planning area on attainment of the July 1, 2000,  
14 fifty percent goal.

15 If at any time the department determines that a planning  
16 area has met or exceeded the fifty percent goal, the planning  
17 area shall subtract fifty cents from the total amount of the  
18 tonnage fee imposed pursuant to section 455B.310~~7~~--~~subsection~~  
19 ~~2~~. This amount shall be in addition to any amount subtracted  
20 pursuant to paragraph "a" of this subsection. The reduction  
21 in tonnage fees pursuant to this paragraph shall be taken from  
22 that portion of the tonnage fees which would have been  
23 allocated to funding alternatives to landfills pursuant to  
24 section 455E.11, subsection 2, paragraph "a", subparagraph  
25 (1). Except for fees required under subsection 4, paragraph  
26 "a", a planning area failing to meet the fifty percent goal is  
27 not required to remit any additional tonnage fees to the  
28 department.

29 Sec. 7. Section 455E.11, subsection 2, paragraph a,  
30 unnumbered paragraph 1, Code 1997, is amended to read as  
31 follows:

32 Moneys received from the tonnage fee imposed under section  
33 455B.310 from the taxes imposed under section 422.43,  
34 subsection 13, and from other sources designated for  
35 environmental protection purposes in relation to sanitary

1 disposal projects shall be deposited in the solid waste  
2 account. Moneys shall be allocated as follows:

3 Sec. 8. RECYCLE IOWA. There is appropriated from the  
4 general fund of the state to the department of natural  
5 resources for the fiscal year beginning July 1, 1998, and  
6 ending June 30, 1999, the following amount, or so much thereof  
7 as is necessary, to be used for the purposes as agreed to and  
8 as designated in a memorandum of agreement between the  
9 department of economic development and the department of  
10 natural resources as follows:

11 For operational support of the recycle Iowa office,  
12 including salaries, support, maintenance, and miscellaneous  
13 purposes:

14 ..... \$ 400,000

15 Notwithstanding section 8.33, moneys appropriated by this  
16 section which remain unobligated or unexpended on June 30,  
17 1999, shall not revert to the general fund of the state but  
18 shall be available for expenditure during the fiscal year  
19 beginning July 1, 1999, for the same purposes.

20 Sec. 9. EDUCATION COORDINATOR. There is appropriated from  
21 the general fund of the state to the department of natural  
22 resources for the fiscal year beginning July 1, 1998, and  
23 ending June 30, 1999, the following amount, or so much thereof  
24 as is necessary, to be used for the purposes designated:

25 For establishing a waste reduction and recycling education  
26 coordinator for identifying and promoting public and private  
27 partnerships to maximize all available resources and for  
28 ensuring that resources are available and accessible for local  
29 waste reduction and recycling efforts, including salaries,  
30 support, maintenance, miscellaneous purposes, and for not more  
31 than the following full-time equivalent positions:

32 ..... \$ 100,000

33 ..... FTEs 1.00

34 Notwithstanding section 8.33, moneys appropriated by this  
35 section which remain unobligated or unexpended on June 30,

1 1999, shall not revert to the general fund of the state but  
2 shall be available for expenditure during the fiscal year  
3 beginning July 1, 1999, for the same purposes.

4 Sec. 10. The general assembly reiterates support for the  
5 fifty percent waste stream reduction goal stated in section  
6 455D.3 as a permanent, ongoing waste stream reduction goal for  
7 the state.

8 EXPLANATION

9 This bill requires operators of sanitary landfills and  
10 transfer stations to pay a tonnage fee for each ton of solid  
11 waste generated or landfilled in the state. The tonnage fee  
12 shall not be applied to the same solid waste twice. The bill  
13 requires a tonnage fee to be paid by operators of transfer  
14 stations for solid waste received by the transfer station and  
15 transported for landfilling at a sanitary landfill not paying  
16 the tonnage fee. Currently, only sanitary landfill operators  
17 pay a tonnage fee for solid waste received by the sanitary  
18 landfill.

19 The bill requires a tonnage fee to be paid by operators of  
20 solid waste disposal facilities which limit disposal to  
21 construction and demolition waste only. The bill allows the  
22 exemption to continue through June 30, 2001, for certain  
23 municipal solid waste landfills with an area designated  
24 exclusively for the disposal of construction and demolition  
25 waste.

26 The bill provides for the retention of a portion of the  
27 tonnage fee by a sanitary landfill operator and a transfer  
28 station operator if an updated, comprehensive plan has been  
29 approved by the department. The amount of tonnage fee which  
30 may be retained equals 25 cents in the fiscal year beginning  
31 July 1, 1998, 50 cents in the fiscal year beginning July 1,  
32 1999, 75 cents in the fiscal year beginning July 1, 2000, and  
33 \$1 in the fiscal year beginning July 1, 2001, and every year  
34 thereafter. Retained tonnage fees must be used for waste  
35 reduction and recycling purposes. Each sanitary landfill

1 operator and each transfer station operator must submit a  
2 return to the department identifying the use of all fees  
3 retained. The total amount of tonnage fees which may be  
4 retained pursuant to this new provision and pursuant to the  
5 waste reduction goal incentives is \$1.75.

6 The bill requires that all revenues from the 5 percent tax  
7 imposed upon the gross receipts from the sales, furnishing, or  
8 service of solid waste collection and disposal service shall  
9 be deposited in the solid waste account of the groundwater  
10 protection fund and allocated to funding alternatives to  
11 landfills.

12 The bill also makes changes relating to equivalent volume  
13 measurements, fees for failing to provide returns to the  
14 department, and certain materials exempt from imposition of  
15 tonnage fees.

16 The bill appropriates \$400,000 for operational support of  
17 the recycle Iowa office and \$100,000 for a waste reduction and  
18 recycling education coordinator. Both appropriations are  
19 available for expenditure for the fiscal year beginning July  
20 1, 1998, and the fiscal year beginning July 1, 1999.

21 The bill reiterates support for the 50 percent waste stream  
22 reduction goal and amends Code section 455D.3 by providing  
23 that a planning area failing to meet the 50 percent reduction  
24 goal shall not remit additional tonnage fees to the  
25 department.

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**HOUSE FILE 2411  
FISCAL NOTE**

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A fiscal note for House File 2411 is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

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House File 2411 requires operators of sanitary landfills and transfer stations to pay a tonnage fee for each ton of solid waste generated.

**BACKGROUND**

Currently, the tonnage fee paid by a sanitary landfill operator is \$4.25 which is broken down into three categories:

Landfill Alternatives Funding	\$ 1.75
Multiple Uses Funding	\$ 1.55
Retained by Landfill Operator	\$ 0.95

The Bill expands the types of facilities required to pay tonnage fees and increases the retained amounts for facilities with approved comprehensive plans. This change increases the amount retained by the landfill operator and decreases the amount to Landfill Alternative Funding. Other changes include:

1. Tonnage fees are paid on transfers of solid waste when no previous payment was made. Tonnage fees cannot be applied twice to the same solid waste.
2. Construction and demolition landfills will be required to pay tonnage fees. Construction and demolition areas in sanitary landfills will pay tonnage fees unless they meet the requirements for an exempt status. The exemption expires June 30, 2001.
3. Beginning in FY 1999, a facility can retain an additional \$0.25 per ton if there is an approved, subsequent comprehensive plan on file with the Department of Natural Resources. In FY 2000, FY 2001, and FY 2002, the facility can retain an additional \$0.25 per ton per year. The maximum that can be retained by a facility is \$1.75. The funds retained would go to the Landfill Alternatives Funding Program.
4. Materials used for sanitary disposal improvement projects are exempt from tonnage fees.
5. The facility is required to submit a quarterly report to the Department of Natural Resources identifying the use of retained fees.
6. General Fund dollars from the tax on non-residential solid waste collection will be allocated to the Landfill Alternatives Financial Assistance Program.

**ASSUMPTIONS**

1. All facilities will satisfy the comprehensive planning requirements and retain a portion of the tonnage fee beginning in FY 1999.
2. Tax revenues from non-residential solid waste collections are estimated at \$1.3 million per year.

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3. Construction and demolition areas in sanitary landfills will meet the exempt status and not pay tonnage fees until June 30, 2001.
4. The Bill appropriates \$400,000 to support the Recycle Iowa Office and an additional \$100,000 and 1.00 FTE for a Waste Reduction and Recycling Education Coordinator.

**FISCAL IMPACT**

House File 2411 is expected to impact revenues to the Department of Natural Resources as follows:

	<u>FY 1999</u>	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>
Multiple Use Funding	\$ 280,000	\$280,000	\$ 280,000	\$ 490,000
Landfill Alternatives	470,000	( 49,000)	(485,000)	(820,000)
Appropriation	500,000	0	0	0
Net Change in Revenue	<u>\$1,250,029</u>	<u>\$231,000</u>	<u>\$(205,000)</u>	<u>\$(330,000)</u>

House File 2411 appropriates \$400,000 from the General Fund to the Department of Natural Resources (DNR) to support the Recycling Iowa Office for one year (FY 1999). The Bill also appropriates \$100,000 from the General Fund to the DNR for 1.0 FTE Waste Reduction and Recycling Education Coordinator position. The appropriation is for FY 1999.

**SOURCE**

Department of Natural Resources

(LSB 3118hv, DFK)

FILED MARCH 18, 1998

BY DENNIS PROUTY, FISCAL DIRECTOR

regulated by chapter 141 shall be subject to the provisions of sections 141.23 and 141.24.

HOUSE FILE 2412

AN ACT

RELATING TO OPTOMETRISTS' REPORTS TO THE DEPARTMENT OF TRANSPORTATION CONCERNING A PERSON'S ABILITY TO OPERATE A MOTOR VEHICLE.

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

Section 1. Section 321.186, unnumbered paragraph 4, Code 1997, is amended to read as follows:

A physician licensed under chapter 148, 150, or 150A, or an optometrist licensed under chapter 154, may report to the department the identity of a person who has been diagnosed as having a physical or mental condition which would render the person physically or mentally incompetent to operate a motor vehicle in a safe manner. The physician or optometrist shall make reasonable efforts to notify the person who is the subject of the report, in writing. The written notification shall state the nature of the disclosure and the reason for the disclosure. A physician or optometrist making a report under this section shall be immune from any liability, civil or criminal, which might otherwise be incurred or imposed as a result of the report. A physician or optometrist has no duty to make a report or to warn third parties with regard to any knowledge concerning a person's mental or physical competency to operate a motor vehicle in a safe manner. Any report received by the department from a physician or optometrist under this section shall be kept confidential. Information

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RON J. CORBETT  
Speaker of the House

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MARY E. KRAMER  
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 2412, Seventy-seventh General Assembly.

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ELIZABETH ISAACSON  
Chief Clerk of the House

Approved March 31, 1998

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TERRY E. BRANSTAD  
Governor