



Metro Solid Waste Regulatory Guidance Bulletin

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Determining Fees and Taxes Due on Solid Waste

This *Metro Solid Waste Regulatory Guidance Bulletin* (Bulletin) is intended to explain when Metro fees and taxes are due on disposal of solid waste, the situations in which fees and taxes are reduced or waived, and how the fees and taxes are used.

Metro's philosophy is that everyone who generates waste within the region should help pay for the solid waste services that benefit the region. Thus, Metro charges fees and taxes on every ton of solid waste disposed in a landfill. Oregon statute gives Metro specific authority to establish, maintain and amend solid waste fees and taxes to support these important services and others. Certain solid wastes generated within the Metro region are subject to Metro fees and taxes, whether managed at a local transfer station, material recovery facility or disposed at landfills outside the region.

With the goal of encouraging waste reduction and reuse, Metro has attempted to structure fees and taxes levied on the system solely on waste disposed in a landfill as opposed to materials that are reused or recycled. Additionally, Metro waives or reduces fees and taxes on such materials as household hazardous waste and Cleanup Material Contaminated by Hazardous Substances in order to encourage proper disposal of waste streams that pose a greater threat to the environment.

Metro Regulatory Authority

Metro's Solid Waste regulatory authority is established under ORS Chapter 268 and the Metro Charter and includes authority to regulate Solid Waste generated or disposed within Metro and all Solid Waste Facilities located within Metro.

Metro Regional System Fee

The Metro Regional System Fee is collected on solid waste generated within the region. This fee pays for regional solid waste reduction programs (planning, recycling information and education), hazardous waste collection and disposal, administration of the solid waste system (debt service, general administrative costs, engineering), and other programs that benefit the whole region. Within the Metro region, this fee is collected by the disposal facility operator and remitted to Metro. The same is also true for those disposal facilities located outside of the region that have entered into designated facility agreements with Metro. Whereas, haulers and generators that deliver waste outside of the region under Non-System Licenses (NSLs) are responsible for remitting all of the appropriate fees directly to Metro.

Metro Excise Tax

Metro Code allows for an Excise Tax levied for the use of the facilities, equipment, systems, functions, services, or improvements owned, operated, licensed, franchised, or provided by the district. This tax goes into Metro's general fund to help pay the costs of general government. Within the Metro region, this tax is collected by the disposal facility operator and remitted to Metro. The same is also true for those disposal facilities located outside of the region that have entered into designated facility agreements with Metro. Whereas, haulers and generators that deliver waste outside of the region under NSLs are responsible for remitting all of the appropriate taxes directly to Metro.

Definitions

The following definitions will be useful in understanding and applying the concepts in this Bulletin. The following definitions (except "dredged material") are from Metro Code Section 5.01.010. The entire Metro Code can be accessed at www.oregonmetro.gov.

Cleanup Material Contaminated by Hazardous Substances means solid waste resulting from the cleanup of releases of hazardous substances into the environment, including petroleum-contaminated soils and sandbags from chemical spills. Cleanup Material Contaminated by Hazardous Substances does not mean solid waste generated by manufacturing or industrial processes.

Dredged Material means material excavated from inland or ocean waters (definition from Army Corps of Engineers/United States Environmental Protection Agency - Dredged Material Evaluation Framework Lower Columbia River Management Area 1998. This definition is not currently part of the Metro Code).

Household Hazardous Waste means any discarded, useless or unwanted chemical, material, substance or product that is or may be hazardous or toxic to the public or the environment and is commonly used in or around households and is generated by the household. "Household hazardous waste" may include but is not limited to some cleaners, solvents, pesticides, automotive and paint products.

Inert means containing only constituents that are biologically and chemically inactive and that, when exposed to biodegradation and/or leaching, will not adversely impact the water of the state or public health.

Processed, Processing or Processed means a method or system of altering the form, condition or content of wastes, including but not limited to composting, vermiprocessing and other controlled methods of biological decomposition; classifying; separating; shredding, milling, pulverizing, or hydropulping; but excluding incineration or mechanical volume reduction techniques such as baling and compaction.

Solid waste means all putrescible and non-putrescible wastes, including without limitation, garbage, rubbish, refuse, ashes, waste paper and cardboard; discarded or abandoned vehicles or parts thereof; sewage sludge, septic tank and cesspool pumpings or other sludges; commercial, industrial, demolition and construction waste; discarded home and industrial appliances; asphalt, broken concrete and bricks; manure, vegetable or animal solid and semi-solid wastes, dead animals; infectious waste as defined in ORS 459.386; and other such wastes, including without limitation cleanup materials contaminated with hazardous substances, commingled recyclable material, petroleum contaminated soil, special waste, source-separated recyclable material, land clearing debris and yard debris; but the term does not include:

1. Hazardous wastes as defined in ORS 466.005;
2. Radioactive wastes as defined in ORS 469.300;

3. Materials used for fertilizer, soil conditioning, humus restoration, or for other productive purposes or which are salvageable for these purposes and are used on land in agricultural operations and the growing or harvesting of crops and the raising of fowls or animals, provided the materials are used at or below agronomic application rates; or
4. Explosives.

Useful Material means material that still has or retains useful physical, chemical or biological properties after serving its original purpose(s) or function(s), and which, when separated from solid waste, is suitable for use in the same or other purpose(s). Types of Useful Materials are: material that can be reused; recyclable material; organic material(s) suitable for controlled biological decomposition such as for making compost; material used in the preparation of fuel; material intended to be used, and which is in fact used, for construction or land reclamation such as inert material for fill; and material intended to be used, and which is in fact used, productively in the operation of landfills such as roadbeds or alternative daily cover. For purposes of the Metro Code, Cleanup Materials Contaminated by Hazardous Substances are not Useful Materials.

Waste means any material considered to be useless, unwanted or discarded by the person who last used the material for its intended and original purpose.

General Discussion

Generally, solid waste that originates from within the Metro region and is disposed in a landfill is subject to full Metro fees and taxes. However, there are other factors that determine whether full fees and taxes are required. These factors include:

1. Origin of waste
2. Type of waste
3. Waste processor activities
4. Final destination and use of waste.

Origin of Waste

The location where solid waste originates, either inside or outside the Metro boundary, determines whether or not fees and taxes are required. Fees and taxes are due on certain wastes originating inside the Metro boundary, regardless of where the waste is delivered. A load in which only a portion of waste originated inside the Metro boundary shall be considered as generated entirely from within the Metro boundary for purposes of determining fees and taxes. Loads originating outside the Metro boundary are exempt from fees and taxes except as explained below.

Please refer to the Metro website (www.oregonmetro.gov) for a Metro boundary map or the interactive program to determine if a specific address is located inside or outside the Metro boundary.

Type of Waste

In order to promote waste reduction and recycling efforts in the region, Metro does not collect fees and taxes on materials that are reused, recycled, composted or used productively at a landfill. Therefore, fees and taxes are collected on all putrescible waste and processing residual from material recovery operations that are disposed in a landfill.

Metro Code exempts certain solid wastes from Metro fees and taxes. In general, the following wastes are not subject to fees and taxes:

- Waste that meets the Metro definition of inert material and is managed as inert material.
- Waste that meets the Metro definition of useful material and is managed as useful material.
- Processing residual produced by any tire processor that is regulated by Metro and that sorts, classifies, or processes used tires into fuel or other products in accordance with applicable provisions of the Metro Code.
- Cleanup Material Contaminated by Hazardous Substances that is derived from an environmental cleanup of a nonrecurring event is subject to reduced fees and taxes. Specifically, the regional system fee associated with such material is \$2.50 per ton and the excise tax is \$1.00 per ton.
- Dredged material that is generated within the Metro boundary and is disposed of as solid waste at a landfill is subject to full regional system fees and excise taxes. Dredged material is considered to have been generated within the Metro region if it originates at a location within the Metro boundary or it is processed at a facility located within the region.
- Dredged material that meets the classification of inert material, Cleanup Materials Contaminated by Hazardous Substances, or useful material may qualify for reduced Metro fees and taxes. For more information regarding this waste stream, consult *Metro Solid Waste Guidance Bulletin 2: Management of Dredged Material at Solid Waste Disposal Sites*.

Waste Processor Activities

The types of activities that facilities perform are important distinctions that may affect the amount of fees and taxes that are due on solid waste. Facilities that process (see definition above) solid waste, including material recovery facilities (MRFs) and dewatering facilities, are considered to be the generator of the resulting residual waste. Facilities that reload and transfer waste, which may include basic volume reduction such as compaction, are not considered the generator of the waste.

This distinction between generating and transferring waste is important when determining the amount of fees and taxes that are due on waste originating from outside the Metro boundary. Waste originating from outside of the Metro boundary that is processed inside of the region is subject to fees and taxes. Putrescible waste originating from outside the Metro boundary that is received at a facility within the region for the purpose of transfer is only subject to Metro taxes.

All waste originating within the Metro boundary that is disposed in a landfill is subject to Metro fees and taxes, regardless of whether it is processed or reloaded and regardless of the location of the facility to which it is delivered.

The following table summarizes the waste that is subject to fees and taxes based upon the origin of the waste and the type of facility that receives it.

Solid Waste Subject to Metro Fees and Taxes

<i>Origin of Waste</i>	<i>Delivered to In-Region Processor</i>	<i>Delivered to In-Region Transfer Station</i>	<i>Delivered to Out-of-Region Processor</i>	<i>Delivered to Out-of-Region Transfer Station</i>
Inside Metro Boundary	Fees & Taxes	Fees & Taxes	Fees & Taxes	Fees & Taxes
Outside Metro Boundary	Fees & Taxes	Taxes	NONE	NONE

Final Destination and Use of Waste

Metro recognizes that some solid wastes have properties that may enable them to be utilized at landfills in place of virgin materials for the purposes of landfill construction and operation. Examples include broken concrete that is used in the construction of roads within the landfill and certain contaminated soils that may be used as daily or intermediate cover. Under specific circumstances, such wastes may be classified as “useful material” and exempted from certain fees and taxes. Specifically, the Metro Code provides that fees and taxes shall not apply to useful material that is:

- Intended to be used, and is in fact used, productively in the operation of the landfill such as for roadbeds or alternative daily cover; and
- Accepted at the landfill at no charge.

The above conditions apply regardless of whether the waste is delivered to a designated landfill that is part of the Metro system or delivered to a non-system landfill under authority of a non-system license.

For any questions about fees and taxes due on solid waste, contact Metro’s Solid Waste Compliance & Cleanup Division at (503) 797-1836.

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