



**House
Legislative
Analysis
Section**

Washington Square Building, Suite 1025
Lansing, Michigan 48909
Phone 517/373-6466

TRASH COLLECTION SURCHARGE

House Bill 4178 (Substitute H-1)
First Analysis (4-19-89)

MAY 23 1989

Michigan State Law Library

Sponsor: Rep. Mary C. Brown

Committee: Conservation, Recreation, & Environment

THE APPARENT PROBLEM:

With the passage of the \$660 million environmental protection bond authorization act last year, there has been a statewide push towards the implementation of recycling and waste reduction programs. Counties and townships have been encouraged to monitor and reduce waste within their jurisdictions. However, some counties and townships find it difficult to implement waste reduction and recycling programs because of those programs are often expensive to initiate. Legislation has been proposed to help counties and local units afford the cost of developing and maintaining waste reduction and recycling services by charging small user fees.

THE CONTENT OF THE BILL:

The bill would amend the Urban Cooperation Act to allow counties, by resolution of a county board of commissioners, or the agency responsible for preparing the county solid waste management plan for the county, to impose a surcharge on households within the county of not more than \$2 per month or \$25 per year per household. The money would be used for waste reduction programs and for the collection of consumer source separated materials for recycling or composting. Counties or agencies would defer the imposition and collection of a surcharge in a local unit of government until the county or agency had entered into an interlocal agreement relating to the collection and disposition of the surcharge with the local unit of government. Under the bill, the term "agency" would not include the Department of Natural Resources.

MCL 124.508a

FISCAL IMPLICATIONS:

According to the Department of Natural Resources, the bill would have no fiscal implications for the state. (4-18-89)

ARGUMENTS:

For:

Under the Solid Waste Management Act, counties are given the responsibility for planning the regulation of solid waste and reducing the amount of garbage sent to incinerators and landfills through the development of county solid waste management plans. However, it is difficult to regulate waste when the components of the waste are unknown. Therefore, many counties and local units try to establish source separation programs in order to better monitor waste. However, recycling and waste reduction programs are often too expensive for counties and local units to initiate. The bill will address this problem by allowing counties to recoup some of the costs of a recycling or waste reduction program by establishing a surcharge to be used for payment for the program.

Against:

Some counties do not prepare their county solid waste management plans and contract with other entities to fulfill this requirement. It is quite likely that those counties will

require the agency that prepares the county solid waste management plan to impose and collect the surcharge. As a result of these unique arrangements, there may be situations in which a private entity that does not have elected officials as its members imposes a surcharge. Further, as the bill is written it may be possible for both a county and an agency to impose the surcharge upon households within the same area. An amendment is needed to ensure that the surcharge will only be imposed once in a particular area and that elected officials will be held responsible for the imposition of the surcharge.

Response: The bill currently ensures that elected officials are involved in the decision to impose and collect a surcharge by requiring counties or agencies to enter into interlocal agreements concerning the imposition and collection of the surcharge with local units affected by the charge. Therefore, the fear that elected officials will not be responsible for the surcharge is baseless.

SUGGESTED AMENDMENTS:

The Michigan Association of Counties suggests an amendment to allow counties to defer the responsibility of imposing the surcharge upon the agency responsible for preparing the solid waste management plan in order to prevent the imposition and collection of a surcharge by two entities within one area. (4-18-89)

POSITIONS:

The Department of Natural Resources supports the bill. (4-18-89)

The Michigan Association of Counties supports the bill with its suggested amendment. (4-18-89)

The Michigan Municipal League supports the bill. (4-18-89)

The Michigan Townships Association supports the bill. (4-18-89)

The Michigan Waste Industries Association supports the bill. (4-18-89)

H.B. 4178 (4-19-89)