


JUL 15 1999

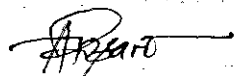
The Honorable Antonio R. Unpingco
Speaker
I Mina'Bente Singko na Liheslaturan Guåhan
Twenty-Fifth Guam Legislature
Guam Legislature Temporary Building
155 Hesler Street
Hagåtña, Guam 96910

Dear Speaker Unpingco:

Enclosed please find Substitute Bill No. 263 (LS), "AN ACT TO AMEND §§51118(c) AND (e) OF ARTICLE 1, CHAPTER 51, PART 2 OF TITLE 10 OF THE GUAM CODE ANNOTATED, RELATIVE TO ESTABLISHING A VOLUME-BASED, COMMERCIAL AND RESIDENTIAL TIPPING/USER FEE", which I have signed into law today as **Public Law No. 25-70**.

Very truly yours,


Carl T. C. Gutierrez
I Maga'Lahen Guåhan
Governor of Guam

OFFICE OF THE LEGISLATIVE SECRETARY
ANTONIO R. UNPINGCO

4:55 pm
7-15-99

Attachment: copy attached for signed bill or overridden bill
original attached for vetoed bill

cc: The Honorable Joanne M. S. Brown
Legislative Secretary

Handwritten note

Office of the Speaker
ANTONIO R. UNPINGCO
Date: 7-15-99
Class: M.S.
Rec'd by: [Signature]
Print Name: Unpingco
7-15-99-0232

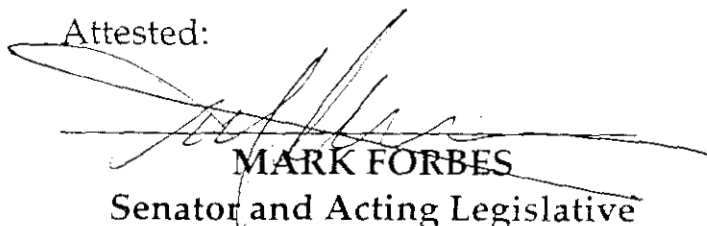
MINA'BENTE SINGKO NA LIHESLATURAN GUAHAN
1999 (FIRST) Regular Session

CERTIFICATION OF PASSAGE OF AN ACT TO I MAGA'LAHEN GUAHAN

This is to certify that Substitute Bill No. 263 (LS), "AN ACT TO AMEND §§51118(c) AND (e) OF ARTICLE 1, CHAPTER 51, PART 2 OF TITLE 10 OF THE GUAM CODE ANNOTATED, RELATIVE TO ESTABLISHING A VOLUME-BASED, COMMERCIAL AND RESIDENTIAL TIPPING/USER FEE," was on the 12th day of July 1999, duly and regularly passed.


ANTONIO R. UNPINGCO
Speaker

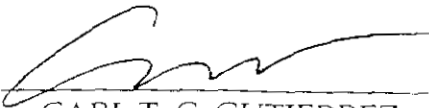
Attested:


MARK FORBES
Senator and Acting Legislative
Secretary

This Act was received by *I Maga'lahen Guahan* this 13th day of July, 1999,
at 4:35 o'clock P.M.


Assistant Staff Officer
Maga'lahi's Office

APPROVED:


CARL T. C. GUTIERREZ
I Maga'lahen Guahan

Date: 7-15-99

Public Law No. 25-70

MINA'BENTE SINGKO NA LIHESLATURAN GUÅHAN
1999 (FIRST) Regular Session

Bill No. 263 (LS)

As substituted on the Floor.

Introduced by:

V. C. Pangelinan
J. M.S. Brown
A. C. Blaz
F. B. Aguon, Jr.
E. C. Bermudes
E. B. Calvo
M. G. Camacho
Mark Forbes
L. F. Kasperbauer
A. C. Lamorena, V
C. A. Leon Guerrero
K. S. Moylan
J. C. Salas
S. A. Sanchez, II
A. R. Unpingco

**AN ACT TO AMEND §§51118(c) AND (e) OF ARTICLE
1, CHAPTER 51, PART 2 OF TITLE 10 OF THE GUAM
CODE ANNOTATED, RELATIVE TO ESTABLISHING
A VOLUME-BASED, COMMERCIAL AND
RESIDENTIAL TIPPING/USER FEE.**

1 **BE IT ENACTED BY THE PEOPLE OF GUAM:**

2 **Section 1. Legislative Statement.** *I Liheslaturan Guåhan* finds that the
3 tipping fee authorized by Public Law Number 24-272 and designed by the
4 government based on weight does *not* promote and maximize the practice of

1 recycling, reduction and reuse as called for in the Integrated Solid Waste
2 Management Plan. Furthermore, the implementation of weight-based tipping
3 fee requires the purchase of scales by the government for use by commercial
4 haulers and at the sanitary landfill. This will require additional capital and
5 continuing operation expenses for repair and maintenance of the scales, by
6 both the government and the private sector, which ultimately will be passed
7 on to the consumer. *I Liheslaturan Guåhan* declares that it does *not* support
8 increasing the cost of waste disposal to the consumer.

9 *I Liheslaturan Guåhan* also finds that the initiative of unit pricing volume-
10 based system of tipping fees led by the Federal Environmental Protection
11 Agency ("EPA") Office of Solid Waste and Emergency Response has resulted
12 in communities and individuals taking control of municipal solid waste costs
13 by providing direct incentives to reduce the amount of waste each generates.
14 The benefits of such a system of tipping fee realized by the over two thousand
15 (2,000) communities that have implemented the system generally fall into two
16 (2) areas:

17 (1) **Economically Sustainable:** It allows communities to
18 generate the revenues necessary to cover the cost of municipal solid
19 waste disposal, including recycling and composting. Moreover,
20 residents now can control the cost of disposing their household waste.

21 (2) **Environmentally Sustainable:** The incentive to
22 recycle is great and communities have experienced reductions in the
23 waste stream flowing into the landfill ranging from twenty-five to forty-
24 five percent (25-45%), resulting in fewer natural resources being
25 extracted from the community. Consequently, the life of landfills have

1 increased and thus precluded the implementation of less
2 environmentally friendly disposal alternatives.

3 It is the intent of *I Liheslaturan Guåhan* to establish a volume-based
4 tipping fee that is in accord with the original intentions of this body, to
5 effectively implement a tipping fee which is critical to the closure of the Ordot
6 dump, and the opening of a new sanitary landfill in full compliance with
7 EPA's Subtitle D Regulations.

8 **Section 2.** Section 51118(c) of Article 1, Chapter 51, Part 2 of Title 10 of
9 the Guam Code Annotated is hereby *amended* to read as follows:

10 **“(c) Commercial and Governmental Tipping Fees.** A
11 commercial tipping fee of Four Dollars (\$4.00) per cubic yard,
12 uncompact, is hereby established. For compacted trash, a commercial
13 tipping fee of Four Dollars (\$4.00) per cubic yard multiplied by the
14 compaction ratio of any vehicle or container with compaction
15 equipment, is hereby established. Commercial haulers shall provide the
16 Department of Public Works the compaction ratios of all equipment
17 used to haul solid waste to the landfill to insure the accurate assessment
18 of tipping fees for compacted trash. This fee does *not* include collection
19 charges which are independently set by licensed, commercial haulers.”

20 **Section 3.** Section 51118(e) of Article 1, Chapter 51, Part 2 of Title 10 of
21 the Guam Code Annotated is hereby *amended* to read as follows:

22 “The Public Utilities Commission (‘PUC’) is hereby authorized to
23 set tipping fees to replace the commercial and residential tipping fees
24 mandated in this Section three (3) years after enactment of this Act.

1 Rate setting by PUC shall be based on volume and actuarial analysis of
2 costs of services and focused management audit of existing operations.”

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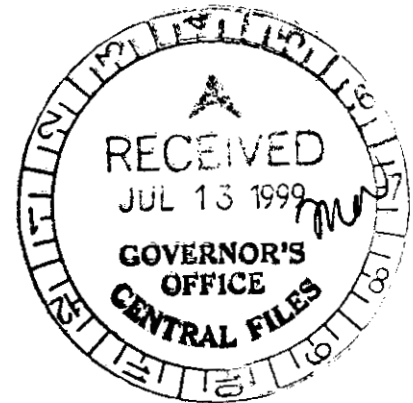


COPY

MINA' BENTE SINGKO NA LIHESLATURAN GUAHAN
TWENTY-FIFTH GUAM LEGISLATURE
155 Hesler Street, Hagåtña, Guam 96910

July 13, 1999

The Honorable Carl T.C. Gutierrez
I Maga'lahaen Guahan
Ufisinan I Maga'lahi
Hagåtña, Guam 96910



Dear *Maga'lahi* Gutierrez:

Transmitted herewith is Substitute Bill No. 263 (LS) which was passed by *I Mina'Bente Singko Na Liheslaturan Guahan* on July 12, 1999.

Sincerely,


MARK FORBES
Acting Legislative Secretary

Enclosure (1)


MINA'BENTE SINGKO NA LIHESLATURAN GUAHAN
1999 (FIRST) Regular Session

CERTIFICATION OF PASSAGE OF AN ACT TO I MAGA'LAHEN GUAHAN

This is to certify that Substitute Bill No. 263 (LS), "AN ACT TO AMEND §§51118(c) AND (e) OF ARTICLE 1, CHAPTER 51, PART 2 OF TITLE 10 OF THE GUAM CODE ANNOTATED, RELATIVE TO ESTABLISHING A VOLUME-BASED, COMMERCIAL AND RESIDENTIAL TIPPING/USER FEE," was on the 12th day of July 1999, duly and regularly passed.


ANTONIO R. UNPINGCO
Speaker

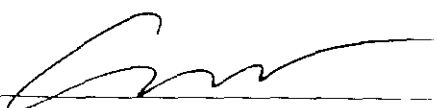
Attested:


MARK FORBES
Senator and Acting Legislative
Secretary

This Act was received by *I Maga'lahaen Guahan* this 13th day of July, 1999,
at 4:35 o'clock P.M.


Assistant Staff Officer
Maga'lahaen's Office

APPROVED:


CARL T. C. GUTIERREZ
I Maga'lahaen Guahan

Date: 7-15-99

Public Law No. 25-70


MINA'BENTE SINGKO NA LIHESLATURAN GUAHAN
1999 (FIRST) Regular Session

CERTIFICATION OF PASSAGE OF AN ACT TO I MAGA'LAHEN GUAHAN

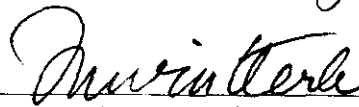
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Speaker

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Assistant Staff Officer
Maga'lahi's Office

APPROVED:

CARL T. C. GUTIERREZ
I Maga'lahen Guahan

Date: _____

Public Law No. _____

MINA'BENTE SINGKO NA LIHESLATURAN GUÅHAN
1999 (FIRST) Regular Session

Bill No. 263 (LS)

As substituted on the Floor.

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I MINA' BENTE SINGKO NA LIHESLATURAN GUAHAN

1999 (FIRST) Regular Session

Date: 7/12/99

VOTING SHEET

5 Bill No. 263

Resolution No. _____

Question: _____

NAME	YEAS	NAYS	NOT VOTING/ ABSTAINED	OUT DURING ROLL CALL	ABSENT
AGUON, Frank B., Jr.					✓
BERMUDES, Eulogio C.	1	✓			
BLAZ, Anthony C.	1	✓			
BROWN, Joanne M.S.					✓
CALVO, Eduardo B.	✓				
CAMACHO, Marcel G.	✓				
FORBES, Mark	1	✓			
KASPERBAUER, Lawrence F.	✓				
LAMORENA, Alberto C., V					✓
LEON GUERRERO, Carlotta A.	✓				
MOYLAN, Kaleo Scott	11	✓			
PANGELINAN, Vicente C.	✓				
SALAS, John C.	✓				
SANCHEZ, Simon A., II	✓				
UNPINGCO, Antonio R.	✓				

TOTAL

10

2

3

CERTIFIED TRUE AND CORRECT:

Clerk of the Legislature

* 3 Passes = No vote
EA = Excused Absence



I na' Bente Singko Na Liheslaturan Guåhan
TWENTY-FIFTH GUAM LEGISLATURE
SENATOR EDDIE BAZA CALVO
Chairman

COMMITTEE ON POWER, PUBLIC WORKS, TAX AND REGULATORY REFORM,
MUNICIPAL and COMMUNITY AFFAIRS

E-Mail address: sencalvo@ite.net
120 Father Dueñas Avenue, Capitol Plaza, Suite 109
Hagåtña, Guam 96910

Telephone: (671) 472-4040/4518
Facsimile: (671) 472-4100

June 14, 1999

The Honorable Antonio R. Unpingco
Speaker
I Mina' Bente Singko Na Liheslaturan Guåhan
155 Hesler Street
Hagåtña, Guam 96910

via: Committee on Rules

Dear Mr. Speaker:

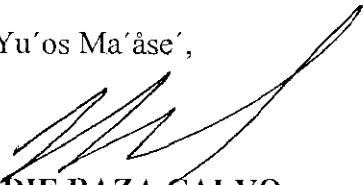
The Committee on Power, Public Works, Tax and Regulatory Reform, Municipal and Community Affairs, to which was referred **BILL NO. 122 (COR) AN ACT TO AMEND SUBSECTIONS (c) AND (e) OF §51118, TITLE 10, GUAM CODE ANNOTATED, RELATIVE TO ESTABLISHING A VOLUME-BASED COMMERCIAL AND RESIDENTIAL TIPPING/USER FEES**", does hereby report back, with the recommendation **TO DO PASS AS SUBSTITUTED BY THE COMMITTEE.**

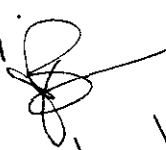
Votes of the Committee members are as follows:

To Pass	<u> 7 </u>
Not to Pass	<u> </u>
Abstain	<u> </u>
Off-Island	<u> 1 </u>
Not Available	<u> 3 </u>

A copy of the Committee Report is attached for your consideration.

Si Yu'os Ma'åse',


EDDIE BAZA CALVO
Chairman

*Original filed in Bill 263
Passed 7/12/99. Cmte. Report
used for Bill 122 it
being the same & had a
Public Hearing*

7/12/99

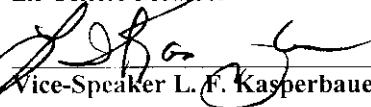
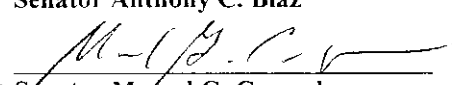


Attachments

**COMMITTEE ON POWER, PUBLIC WORKS,
TAX AND REGULATORY REFORM,
MUNICIPAL AND COMMUNITY AFFAIRS**

Mina Bente Singko Na Liheslaturan Guåhan
155 Hesler Street, Hagåtña, Guam 96910

VOTING SHEET:

SUBSTITUTE BILL NO. 122 (COR) "AN ACT TO AMEND SUBSECTIONS (c) AND (e) OF §51118, TITLE 10, GUAM CODE ANNOTATED, RELATIVE TO ESTABLISHING A VOLUME-BASED COMMERCIAL AND RESIDENTIAL TIPPING/USER FEES."

<u>COMMITTEE MEMBERS</u>	<u>TO PASS</u>	<u>NOT TO PASS</u>	<u>ABSTAIN</u>	<u>TO PLACE IN INACTIVE FILE</u>
 _____ Senator Eddie Baza Calvo Chairman	✓			
_____ Senator Kaleo S. Moylan Vice-Chairman	✓			
_____ Speaker Antonio R. Unpingco Ex-Officio Member				
 _____ Vice-Speaker L. F. Kasperbauer	X			
_____ Senator Frank B. Aguon, Jr.				
_____ Senator Eulogio C. Burmudes				
_____ Senator Anthony C. Blaz				
 _____ Senator Marcel G. Camacho	✓			
 _____ Senator Mark Forbes	✓			
 _____ Senator Carlotta A. Leon Guerrero	✓			
 _____ Senator Simon A. Sanchez, II	✓			

**COMMITTEE ON POWER, PUBLIC WORKS,
TAX AND REGULATORY REFORM,
MUNICIPAL AND COMMUNITY AFFAIRS**

Mina Bente Singko Na Liheslaturan Guåhan
155 Hessler Street, Hagåtña, Guam 96910

COMMITTEE REPORT

ON

BILL NO. 122 (COR)

“AN ACT TO AMEND SUBSECTIONS (c) AND (e) OF §51118, TITLE 10, GUAM CODE ANNOTATED, RELATIVE TO ESTABLISHING A VOLUME-BASED COMMERCIAL AND RESIDENTIAL TIPPING/USER FEES”

COMMITTEE MEMBERS

Chairman: Senator Eddie Baza Calvo
Vice-Chairman: Senator Kaleo S. Moylan
Ex-Officio Member: Antonio R. Unpingco

Senator Frank B. Aguon, Jr.
Senator Anthony C. Blaz
Senator Mark Forbes
Senator Carlotta A. Leon Guerrero

Senator Eulogio C. Bermudes
Senator Marcel G. Camacho
Vice-Speaker Lawrence F. Kasperbauer
Senator Simon A. Sanchez, II

**COMMITTEE ON POWER, PUBLIC WORKS,
TAX AND REGULATORY REFORM,
MUNICIPAL AND COMMUNITY AFFAIRS**

Mina' Bente Singko Na Liheslaturan Guåhan
155 Hesler Street, Hagåtña, Guam 96910

BILL NO. 122 (COR)

“AN ACT TO AMEND SUBSECTIONS (c) AND (e) OF §51118, TITLE 10, GUAM CODE ANNOTATED, RELATIVE TO ESTABLISHING A VOLUME-BASED COMMERCIAL AND RESIDENTIAL TIPPING/USER FEES”

I. PUBLIC HEARING

The Committee on Power, Public Works, Tax and Regulatory Reform, Municipal and Community Affairs (PPWTRRM&CA) called a public hearing to order at 9:18 a.m., Monday, June 14, 1999 to hear testimony on **BILL NO. 122 (COR) “AN ACT TO AMEND SUBSECTIONS (c) AND (e) OF §51118, TITLE 10, GUAM CODE ANNOTATED, RELATIVE TO ESTABLISHING A VOLUME-BASED COMMERCIAL AND RESIDENTIAL TIPPING/USER FEES.”** The hearing was held in the Conference Room of the Committee on Rules, Government Reform, Reorganization and Federal Affairs of *I Liheslaturan Guåhan* in Hagåtña. Notices were placed in the Pacific Daily News in compliance with stipulations mandated for proper notification of the public.

The hearing was called to order by Senator Eddie Baza Calvo, Chairman of PPWTRRM&CA. Senators Vicente C. Pangelinan and Joanne M.S. Brown were in attendance.

<u>Present to Testify:</u>	<u>Testimony Presented</u>	<u>Herein Attached As</u>
ELOISE R. BAZA, President, GU Chamber of Commerce	Oral/Written	“Exhibit A”
DAVID BUSH, Guåhan Waste Control; GU Chamber of Commerce	Oral	-----
MARK MAMCZARZ, Black Construction Co.; Ad Hoc Committee on Solid Waste, GU Chamber of Commerce	Oral	-----
DANIEL A. LIZAMA, Director, Dept. of Public Works	Oral	-----
ISABEL HAGGARD, Mayor of Piti	Oral	-----

II. TESTIMONY

EOISE BAZA testified in support of the measure. She stated that a volume-based tipping fee system allows for cost-savings opportunities for both private businesses as well as for the government of Guam. Savings for private businesses would be realized in the costs associated with

the implementation of the fees. For the government of Guam, a volume-based system would "zero-out" costs associated with the procuring, installation and maintenance of weight scales; not only for the Ordot and new landfill, but for each of the regional solid waste stations recommended in the *Integrated Solid Waste Management Plan, Phase II Report*. She recommended that the proposed \$15.00 a cubic yard fee be changed to \$3.75 a cubic yard based on data received from Guam Chamber waste hauler members. (Refer to Written testimony herein referred as *Exhibit A*.)

DAVID BUSH testified in support of the measure, but recommended that the commercial and government tipping/user fee contained therein be amended. Upon cursory review, the proposed \$15.00 per cubic yard rate appears to promote savings for both customers as well as private businesses, when compared to the \$19.69 per cubic yard rate recommended in the *Integrated Solid Waste Management Plan for the Island of Guam, Phase II Report* (Section 11.2.1; Chapter 11, page 11.3). He pointed out, however, that these rates are inflated in terms of actual value, because they are based on compacted yardage (which is calculated at a four to one compaction ratio, per the aforementioned report.). And considering that most individuals on island do not compact their waste, they (homeowner, apartment owner) should not be charged a compacted rate for loose waste; to do so would be inequitable. He recommended that a \$3.75 per cubic yard rate (uncompacted volume) be imposed, and said that it would prove to be more economically viable. [$\$15.00 \div 4$ (four to one compaction ratio) = \$3.75]

In reviewing the rules and regulations pertaining to the maximum amount of residential trash allowable for pick-up; he said that two thirty-five gallon trash containers, at \$3.75 per cubic yard, would translate to \$1.32 in tipping fees and \$6.68 in collection fees. He went on to say that a volume-based system is one that is easily understood by the general public, as opposed to a weight-based system. If a weight-based system were to be imposed, commercial haulers would be forced to double their fees in order to cover the cost of installing scales on the trucks. Additionally, fees associated with weight-based systems prove to be inconsistent during varying weather conditions. For the same volume of trash generated during the dry season, customers would be forced to pay an increased amount during rainy season (wet refuse weighs more than dry). He concluded by saying that from a financial management standpoint, he and other waste haulers have agreed that a monthly, residential fee of \$8.00 is a feasible and acceptable amount.

MARK MAMCZARZ testified in support of the measure. In terms of economic impact, he said that he and his colleagues have found that the \$8.00 monthly residential fee is, in fact, affordable. He said that once a better understanding is attained at what it actually costs to operate a landfill, and what a viable and acceptable tipping actually is, the PUC should not be restricted in waiting five years to replace those fees mandated. He went on to recommended that Section 3 of the bill be amended so that the Public Utilities Commission be authorized to set tipping fees sooner than five years after enactment of the measure.

DAVID A. LIZAMA testified in opposition to the measure. He stated that a weight-based system would be simpler and easier for the Department of Public Works to monitor and track. He also said that the department does not have manpower necessary to monitor/determine whether the refuse taken to the landfill is compacted, uncompacted, wet, etc. **SENATOR JOANNE M.S. BROWN** inquired on how soon a scale would be installed at Ordot. Mr. Lizama stated that the scale at Ordot is currently inoperative and that DPW is actively working on acquiring parts. He said that a quote he attained for two new scales totals \$70,000.00.

MAYOR ISABEL HAGGARD testified in support of the measure. She stated that in speaking to constituents, many agreed that the \$8.00 per month residential fee is acceptable, but that the pick-up of waste must be consistent.

SENATOR VICENTE C. PANGELINAN stated that a tipping/user fee system must be put in place as soon as possible, and that a volume-based fee would be the easiest to facilitate such. He said that a volume-based fee places less of an investment burden on commercial haulers, promotes recycling, extends the life of a landfill and is simpler and easier for the public to understand.

There being no further testimony, the public hearing on Bill No. 122 (COR) concluded at 10:10 a.m.

III. FINDINGS

The Committee finds that the a weight-based fee system for both commercial and residential users does not promote and maximize the practice of recycling, reduction and reuse as called for in the *Integrated Solid Waste Management Plan*. Additionally, a weight-based system will require the government and commercial sector to expend additional capital/expenses for the installation, operation, repair and maintenance of scales; a cost that will eventually be passed on to consumers. The Committee further finds that the implementation of a volume-based tipping fee system will prove to be economically and environmentally sustainable. Revenue will be generated which will cover the cost of waste disposal and residents will be able to control the cost of disposing their waste. Said system will also give users the incentive to recycle, thus resulting in the extension of the life of the landfill. Furthermore, with a volume-based fee system in place, those who dispose of more waste pay accordingly, alleviating any possibility that households will subsidize businesses. The Committee finds that the effective implementation of a tipping fee is critical to the closure of the Ordot landfill as well as the opening of a new one. By incorporating some of the amendments suggested, Bill No. 122 (COR) provides for such, and will allow for the immediate implementation of an equitable volume-based fee for both residential as well as commercial users.

IV. RECOMMENDATION

The Committee on Power, Public Works, Tax and Regulatory Reform, Municipal and Community Affairs does hereby report out **BILL NO. 122 (COR) AS SUBSTITUTED BY THE COMMITTEE**, to *I Liheslaturan Guåhan*, with the recommendation **TO DO PASS**.

MINA'BENTE SINGKO NA LIHESLATURAN GUÅHAN
1999 (FIRST) Regular Session

Bill No. 2000-0005

Introduced by:

v. c. pangelinan

J. M. S. Brown

A. C. Blaz

AN ACT TO AMEND SUBSECTIONS (c) AND (e)
OF §51118, TITLE 10, GUAM CODE ANNOTATED,
RELATIVE TO ESTABLISHING A VOLUME-
BASED COMMERCIAL AND RESIDENTIAL
TIPPING/USER FEES.

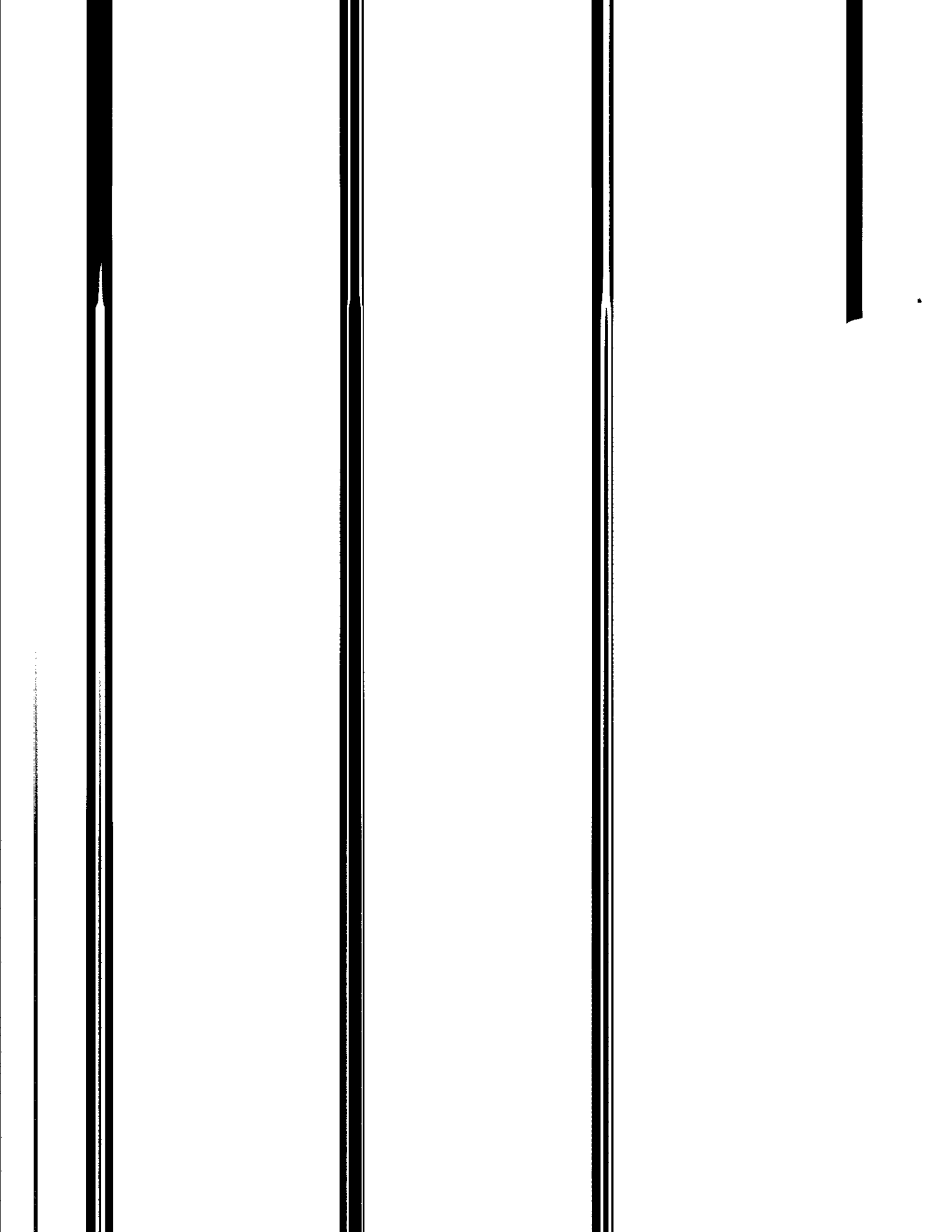
1 BE IT ENACTED BY THE PEOPLE OF GUAM:

2 Section 1. Legislative Statement. *I Liheslaturan Guåhan* finds that the
3 tipping fee authorized by Public Law No. 24-272 and designed by the
4 government based on weight does not promote and maximize the practice of
5 recycling, reduction and reuse as called for in the Integrated Solid Waste
6 Management Plan. Furthermore, the implementation of weight-based tipping
7 fee requires the purchase of scales by the government for use by commercial
8 haulers and at the sanitary landfill. This will require additional capital and
9 continuing operation expenses for repair and maintenance of the scales, by
10 both the government and the private sector, which ultimately will be passed
11 on to the consumer. *I Liheslaturan Guåhan* declares that it does not support
12 increasing the cost of waste disposal to the consumer.

13 *I Liheslaturan Guåhan* also finds that the initiative of unit pricing volume-
14 based system of tipping fees led by the federal Environmental Protection
15 Agency (EPA) Office of Solid Waste and Emergency Response has resulted in

1 mandated in this Section five (5) years after enactment of this Act. Rate
2 setting by PUC shall be based on volume and actuarial analysis of costs
3 of services and focused management audit of existing operations.”





4:51 pm

7-12-99

**MINA'BENTE SINGKO NA LIHESLATURAN GUÅHAN
1999 (FIRST) Regular Session**

Bill No. **263 (LS)**

Original Copy

Introduced by:

v. c. pangelinan

J. M. S. Brown

A. C. Blaz

**AN ACT TO AMEND SUBSECTIONS (c) AND (e)
OF §51118, TITLE 10, GUAM CODE ANNOTATED,
RELATIVE TO ESTABLISHING A VOLUME-
BASED COMMERCIAL AND RESIDENTIAL
TIPPING/USER FEES.**

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. Legislative Statement. *I Liheslaturan Guåhan* finds that the tipping fee authorized by Public Law No. 24-272 and designed by the government based on weight does not promote and maximize the practice of recycling, reduction and reuse as called for in the Integrated Solid Waste Management Plan. Furthermore, the implementation of weight-based tipping fee requires the purchase of scales by the government for use by commercial haulers and at the sanitary landfill. This will require additional capital and continuing operation expenses for repair and maintenance of the scales, by both the government and the private sector, which ultimately will be passed on to the consumer. *I Liheslaturan Guåhan* declares that it does not support increasing the cost of waste disposal to the consumer.

I Liheslaturan Guåhan also finds that the initiative of unit pricing volume-based system of tipping fees led by the federal Environmental Protection Agency (EPA) Office of Solid Waste and Emergency Response has resulted in

1 communities and individuals taking control of municipal solid waste costs by
2 providing direct incentives to reduce the amount of waste each generates.
3 The benefits of such a system of tipping fee realized by the over 2,000
4 communities that have implemented the system generally fall into three areas:

5 (1) Economically sustainable: It allows communities to
6 generate the revenues necessary to cover the cost of municipal solid
7 waste disposal, including recycling and composting. Moreover,
8 residents now can control the cost of disposing their household waste.

9 (2) Environmentally sustainable: The incentive to recycle is
10 great and communities have experienced reductions in the waste stream
11 flowing into the landfill ranging from 25 to 45 percent resulting in fewer
12 natural resources being extracted from the community. Consequently,
13 the life of landfills have increased and thus precluded the
14 implementation of less environmentally friendly disposal alternatives:

15 (3) Fair: Volume-based tipping fee means that those who throw
16 away more waste pay more for their wastefulness. And, individual
17 households do not end up subsidizing businesses. In effect, everyone
18 pays their fair share.

19 *I Liheslaturan Guðhan* further finds that the immediate implementation of
20 a tipping fee is critical to the closure of the Ordot dump and the opening of a
21 new sanitary landfill in full compliance with EPA's Subtitle D regulations. A
22 weight-based tipping fee system, however, cannot be implemented until such
23 time that a fully operational scale is installed. Ordering and installation of the
24 scales will take time that we can no longer afford.

1 On the other hand, a volume-based tipping fee can be implemented
2 immediately since containers for household waste are commercially
3 manufactured and sold based on volume capacity and all commercial waste
4 disposal companies use waste containers and trucks that are measured and
5 rated based on their volume capacity. The commercial and governmental
6 tipping fee of fifteen dollars (\$15.00) per cubic yard set forth herein is derived
7 from the calculation of approximately three cubic yards per ton, based on the
8 estimate of 600 pounds per cubic yard as generally applied in solid waste
9 management practices.

10 It is the intent of *I Liheslaturan Guåhan* to establish a volume-based
11 tipping fee that is in accord with the original intentions of this body, to
12 effectively implement a tipping fee which is critical to the closure of the Ordot
13 dump, and the opening of a new sanitary landfill in full compliance with
14 EPA's Subtitle D regulations.

15 **Section 2.** Subsection (c) of 10 GCA §51118 is amended to read as
16 follows:

17 “(c) Commercial and Governmental Tipping Fees. A commercial
18 tipping fee of ~~Forty-five Dollars (\$45.00) per ton~~ Fifteen Dollars (\$15.00)
19 per cubic yard is hereby established. This fee does not include
20 collection charges which are independently set by licensed commercial
21 haulers.”

22 **Section 3.** Subsection (e) of 10 GCA §51118 is amended to read as
23 follows:

24 “(e) The Public Utilities Commission (‘PUC’) is hereby authorized
25 to set tipping fees to replace the commercial and residential tipping fees.

1 mandated in this Section five (5) years after enactment of this Act. Rate
2 setting by PUC shall be based on volume and actuarial analysis of costs
3 of services and focused management audit of existing operations.”