

1 **State of Arkansas**  
2 **79th General Assembly**  
3 **Regular Session, 1993**

# **A Bill**

**HOUSE BILL 1582**

4 **By: Representatives Wallis, Easley, Arnold, Mullenix, Wingfield, and Hall**

5

6

7

## **For An Act To Be Entitled**

8 "AN ACT TO PROVIDE FOR A REASONABLE HOST FEE FOR LANDFILL  
9 DISPOSAL FEES COLLECTED BETWEEN PUBLICLY OWNED AND  
10 OPERATED LANDFILLS AND PUBLIC BODY CUSTOMERS; AND TO  
11 PROVIDE FOR A SPECIAL ACCOUNTING FOR THOSE FEES; AND FOR  
12 OTHER PURPOSES."

13

14

## **Subtitle**

15 "TO PROVIDE FOR A REASONABLE HOST FEE FOR LANDFILL  
16 DISPOSAL FEES COLLECTED BETWEEN PUBLICLY OWNED AND  
17 OPERATED LANDFILLS AND PUBLIC BODY CUSTOMERS."

18

19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

20

21 SECTION 1. Arkansas Code Title 8, Chapter 6 is amended to add the  
22 following subchapter:

23 "Subchapter 13 - Publicly Owned and Operated Landfills.

24 8-6-1301. Purpose. It is the purpose of this subchapter to insure  
25 equitable assessment of landfill disposal fees between publicly owned and  
26 operated facilities and its public body customers and provide for a reasonable  
27 host fee for the publicly owned and operated landfill.

28 8-6-1302. Definitions. As used in this subchapter, unless the context  
29 otherwise requires:

30 (1) \_Budget\_ means the annual approved budget of the landfill as  
31 approved by the public body which owns and operates the landfill;

32 (2) \_Current governmental accounting standard\_ means standards which  
33 are in effect at the time the audit is performed or the cost is reviewed;

34 (3) \_Governmental Accounting Standards\_ means those standards as  
35 defined by the American Institute of Certified Public Accountants (AICPA) in

1 the Statement on Auditing Standards or such other definition as the AICPA may  
2 from time to time implement to define Governmental Accounting Standards;

3 (4) *\_Host fee\_* means any compensation above the tipping fee which the  
4 publicly owned and operated facility may assess for its landfill services;

5 (5) *\_Publicly owned and operated facility\_* means a solid waste  
6 facility which is owned and operated by a city, county or regional Solid Waste  
7 Management District and supported exclusively through public funds;

8 (6) *\_Public body\_* means regional Solid Waste Management Districts and  
9 city or county governmental units which are owned or supported exclusively  
10 through public funds;

11 (7) *\_Tipping fee\_* means the actual and verifiable disposal costs which  
12 a publicly owned and operated facility may assess for the unloading or dumping  
13 of wastes at its landfill, transfer station, recycling station, or waste to  
14 energy facility.

15 8-6-1303. Landfill disposal fees for publicly owned and operated  
16 facilities.

17 (a) In addition to any other fee provided by law, there is imposed the  
18 following system of insuring equitable landfill disposal fees between publicly  
19 owned and operated landfills and its public body customers:

20 (1) tipping fees shall be assessed and charged by the publicly  
21 owned and operated facility based on the actual and verifiable disposal costs  
22 for the disposal of solid wastes at the publicly owned landfills. Actual cost  
23 includes the total budget amount needed to operate the landfill, reasonable  
24 reserves for repair, replacement, depreciation, closure and post closure as  
25 well as debt retirement *and reserves required by a bonded indebtedness* on  
26 funds used to finance construction and improvements to the landfill;

27 (2) the above costs shall be allocated to the public body  
28 customer by applying the following equation:

29 Total tons (or equivalent volume) of waste per load delivered by the public  
30 *body customer divided by total tons (or equivalent volume)*  
31 *of waste projected to be received in the current annual*  
32 *budget.*

33 *In the event projected volumes exceed or fall short of budget*  
34 *projections by more than five (5) percent an adjustment shall be made to*  
35 *reflect this variation in the billings to the public body customer in the next*

1 annual budget year.

2 (3) for purposes of calculating these tipping fees, all  
3 depreciable equipment and supplies shall be amortized on a straight line  
4 depreciation basis; and

5 (4) once the tipping fees are collected, the monies shall be  
6 deposited in a separate landfill operations account which will be reviewed  
7 through an annual audit and furnished to its public body customer; or in the  
8 event the amount of the tipping fee is questioned by the public body customer,  
9 then the public body customer may, at its own expense, have an audit performed  
10 by an independent accounting firm. *If the publicly owned and operated*  
11 *landfill is required by the terms of its creation under a bond issuance to*  
12 *perform an annual audit, that audit shall suffice for the annual audit*  
13 *requirement herein;*

14 (5) in addition to the tipping fee assessed and charged above,  
15 the publicly owned and operated facility may charge a host fee of up to ten  
16 percent (10%) of the total tipping fee per ton of solid waste, provided,  
17 however, the host fee shall not exceed one dollar and fifty cents (\$1.50) per  
18 ton of solid waste; and

19 (6) the publicly owned and operated facility may retain amounts  
20 collected as host fees as compensation for landfill services above the tipping  
21 fee.

22 (b) Audits to verify all allowable costs herein described shall be  
23 performed in accordance with current Governmental Accounting Standards.

24 (c) *This subchapter will not apply to a solid waste management district*  
25 *in the assessment of fees on its own member cities and counties."*

26

27 *SECTION 2. This action shall not be construed to apply to any landfill*  
28 *owned by a public body and leased under contract to a private contractor.*

29

30 SECTION 3. All provisions of this act of a general and permanent nature  
31 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code  
32 Revision Commission shall incorporate the same in the Code.

33

34 SECTION 4. If any provision of this act or the application thereof to  
35 any person or circumstance is held invalid, such invalidity shall not affect

1 other provisions or applications of the act which can be given effect without  
2 the invalid provision or application, and to this end the provisions of this  
3 act are declared to be severable.

4

5 SECTION 5. All laws and parts of laws in conflict with this act are  
6 hereby repealed.

7

8 SECTION 6. EMERGENCY. It is hereby found and determined by the General  
9 Assembly that no previous authority exists for the assessment of landfill  
10 disposal fees between publicly owned landfills and public body customers or  
11 accounting for those fees. Therefore, an emergency is hereby declared to  
12 exist, and this act being immediately necessary for the preservation of the  
13 public peace, health, and safety shall be in full force and effect from and  
14 after its passage and approval.

15

16

17

18

19

20

21

22 /s/D. R. "Buddy" Wallis, et al

23

24

25

26

27

28

29

30

31

32

33

34

35

1

2

3

4