

1 State of Arkansas  
2 80th General Assembly  
3 Regular Session, 1995

# A Bill

HOUSE BILL 1661

4 By: Representatives Wallis, Lancaster, Malone, Mullenix, Thickston,  
5 Wilkinson, Hall, Ammons, Curran, and G. Hendrix

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## For An Act To Be Entitled

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

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## Subtitle

15 "TO PROVIDE FOR A REASONABLE HOST FEE  
16 FOR LANDFILL DISPOSAL FEES COLLECTED  
17 BETWEEN PUBLICLY OWNED AND OPERATED  
18 LANDFILLS AND PUBLIC BODY CUSTOMERS."  
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21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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

25 "Subchapter 16 - Publicly Owned and Operated Landfills.

26 8-6-1601. Purpose. It is the purpose of this subchapter to insure  
27 equitable assessment of landfill disposal fees between publicly owned and  
28 operated facilities and its public body customers and provide for a  
29 reasonable host fee for the publicly owned and operated landfill.

30 8-6-1602. Definitions. As used in this subchapter, unless the context  
31 otherwise requires:

32 (1) Budget means the annual approved budget of the landfill as  
33 approved by the public body which owns and operates the landfill;

34 (2) Current governmental accounting standard means standards which  
35 are in effect at the time the audit is performed or the cost is reviewed;

1           (3) Governmental Accounting Standards means those standards as  
2 defined by the American Institute of Certified Public Accountants (AICPA) in  
3 the Statement on Auditing Standards or such other definition as the AICPA may  
4 from time to time implement to define Governmental Accounting Standards;

5           (4) Host fee means any compensation above the tipping fee which the  
6 publicly owned and operated facility may assess for its landfill services;

7           (5) Publicly owned and operated facility means a solid waste  
8 facility which is owned and operated by a city, county or regional Solid  
9 Waste Management District and supported exclusively through public funds;

10          (6) Public body means regional Solid Waste Management Districts and  
11 city or county governmental units which are owned or supported exclusively  
12 through public funds;

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

17          8-6-1603. Landfill disposal fees for publicly owned and operated  
18 facilities.

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

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

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

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

35               In the event projected volumes exceed or fall short of budget

1 projections by more than five (5) percent an adjustment shall be made to  
2 reflect this variation in the billings to the public body customer in the  
3 next annual budget year.

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

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

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

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

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

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

28 (d) This subchapter shall not be construed to apply to any landfill  
29 owned by a public body and leased under contract to a private contractor."  
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31 SECTION 2. All provisions of this act of a general and permanent  
32 nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas  
33 Code Revision Commission shall incorporate the same in the Code.

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35 SECTION 3. If any provision of this act or the application thereof to

1 any person or circumstance is held invalid, such invalidity shall not affect  
2 other provisions or applications of the act which can be given effect without  
3 the invalid provision or application, and to this end the provisions of this  
4 act are declared to be severable.

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6 SECTION 4. All laws and parts of laws in conflict with this act are  
7 hereby repealed.

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9 SECTION 5. EMERGENCY. It is hereby found and determined by the  
10 General Assembly that no previous authority exists for the assessment of  
11 landfill disposal fees between publicly owned landfills and public body  
12 customers or accounting for those fees. Therefore, an emergency is hereby  
13 declared to exist, and this act being immediately necessary for the  
14 preservation of the public peace, health, and safety shall be in full force  
15 and effect from and after its passage and approval.

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