MAINE STATE LEGISLATURE

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117th MAINE LEGISLATURE

FIRST REGULAR SESSION-1995

Legislative Document

No. 933

H.P. 682

House of Representatives, March 21, 1995

An Act to Clarify and Provide Municipal Authority to Implement Comprehensive Waste Management Services.

Reference to the Committee on Natural Resources suggested and ordered printed.

JOSEPH W. MAYO, Clerk

Presented by Representative RICHARDSON of Portland.
Cosponsored by Representatives: BRENNAN of Portland, CLOUTIER of South Portland,
DiPIETRO of South Portland, DORE of Auburn, JOYNER of Hollis, KERR of Old Orchard
Beach, KONTOS of Windham, LEMAIRE of Lewiston, LEMKE of Westbrook, O'GARA of
Westbrook, ROWE of Portland, Senators: ABROMSON of Cumberland, AMERO of
Cumberland, ESTY of Cumberland, HARRIMAN of Cumberland, LORD of York, RAND of
Cumberland.

| | Sec. 1. 30-A MRSA §3008-A is enacted to read: |
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| <u>§3</u> | 008-A. Solid waste franchises |
| | |
| | 1. State policy. It is the policy of this State, |
| re | spect to solid waste: |
| | A. To affirm the importance of municipal control of s |
| | waste franchises, consistent with Title 38, chapters 13 |
| | 24, ensuring that the needs and interests of local citi |
| | are adequately met and that the public health, safety |
| | welfare are protected; and |
| | B. To provide express statutory authorization |
| | municipalities to make franchising and regulatory decise |
| | implementing this policy and avoiding the costs |
| | uncertainty of lawsuits challenging that authority. |
| | 2. Ordinances. A municipality may enact any ordinar |
| no | t contrary to this chapter or to Title 38, chapters 13 and |
| | verning franchises for the handling, as that term is define |
| | tle 38, section 1303-C, subsection 14, of solid waste gener |
| | thin the municipality. |
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| | 3. Franchise procedures. Pursuant to subsection 2 |
| | nicipality may enact ordinances governing the procedures |
| | varding solid waste handling franchises. These ordinances |
| | enacted before granting any such franchise or franchises, |
| | st be designed to ensure that the terms and conditions |
| | anchise will adequately protect the needs and interests of |
| | nicipality. These ordinances must include, but are not lin |
| <u>to</u> | , the following provisions: |
| | A. The filing of franchise applications and re- |
| | documents as public records, with reasonable notice to |
| | public that the records are open to inspection du |
| | reasonable hours; |
| | B. A reasonable opportunity for public input before |
| | municipal officers award franchises; and |
| | |
| | C. The assessment of reasonable fees upon applicant |
| | defray the costs of public notice, advertising and o |
| | expenses incurred by the municipality in acting |
| | applications. |
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| | 4. Franchise agreements. The municipal officers |
| | ontract on such terms and conditions and impose such fees as |

in the best interest of the municipality including, but not limited to, the grant of exclusive or nonexclusive franchises for a period not to exceed 15 years for the handling of some or all of the solid waste generated within the municipality. Each franchise agreement must contain the following provisions:

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A. The area or areas to be served;

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- B. A provision for renewal, the terms of which may not exceed 15 years;
- C. A provision for termination upon violation of the franchise agreement; and

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- D. Reasonable regulations regarding the handling of solid waste.
- Sec. 2. 38 MRSA §1304-B, sub-§1, as amended by PL 1989, c. 585, Pt. E, §12, is further amended to read:

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- Findings and purpose. The Legislature makes 22 following findings of fact. Subject to the provisions of chapter 24, the State requires each municipality to provide for disposal services for domestic and commercial solid waste generated within 24 the municipality. Solid waste contains valuable recoverable 26 resources, including energy. Many municipalities have found that energy recovery reduces the cost of solid waste disposal. Energy recovery technology is complex and the equipment requires a 28 steady supply of waste to operate efficiently. Because of the 30 complicated technology, most energy recovery facilities have high capital costs and long payback periods. In order to remain cost 32 effective throughout their lives, these energy recovery facilities require a guaranteed, steady supply of waste. 34 Consequently, municipalities utilizing energy recovery facilities are usually required to enter long-term agreements to provide the facilities with specific amounts of waste. In order to make these 36 energy recovery facilities financially feasible, and thereby 38 simultaneously improve the environmental impacts and economics of municipal solid waste disposal, municipalities shall 40 must have the legal authority to control the handling of solid waste generated within their borders. Further, municipalities 42 must have legal authority to assess service charges as provided in subsection 3-A for the handling of solid waste generated within the municipalities. 44
- The purpose of this section is to promote the recovery of resources from solid waste by creating one of the conditions which that make energy recovery economically feasible, assuring ensuring municipalities the authority to guarantee a steady supply of solid waste to specific waste facilities.

Sec. 3. 38 MRSA §1304-B, sub-§3-A is enacted to read:

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- 3-A. Solid waste handling service charges. A municipality 4 may enact an ordinance that provides for the payment of service charges for municipal solid waste handling services in order to 6 defray the municipality's solid waste handling costs, whether the 8 solid waste handling services are provided directly by the municipality, its contractor or by a regional association in 10 which the municipality is a participating municipality. These service charges may be collected by mechanisms that include, but 12 are not limited to, service fees, pay-per-bag programs, stickers or a combination of those mechanisms. However, these service 14 charge mechanisms are subject to the following requirements.
 - A. A municipality that enacts an ordinance that provides for service fees may authorize the municipal officers to establish a schedule of service fees from time to time upon real estate improved by residential dwellings or commercial buildings or structures for the use of municipal solid waste handling services. Service fees established by such an ordinance and this section must be certified by the municipal officers and filed with the tax collector for collection in the same manner as municipal property taxes.
- B. The municipal officers may charge interest on delinquent accounts at a rate not to exceed the highest lawful rate set by the Treasurer of State for municipal taxes.
 - C. There is a lien on real estate benefited by municipal solid waste handling services to secure the payment of service fees and interest on delinquent accounts established under an ordinance and this section. This lien takes precedence over all other claims, except a claim for taxes. In the event that there are other liens on the same real estate that take precedence over all other claims except a claim for taxes, the lien evidenced by the earliest recorded lien certificate must be given priority.
- D. The municipality must collect service fees and interest and enforce tax liens in the same manner as provided for municipal real and personal property taxes.
- Sec. 4. 38 MRSA §1305, sub-§1, as repealed and replaced by PL 1989, c. 585, Pt. E, §17, is amended to read:
- 1. Disposal services. Each municipality shall provide 48 solid waste disposal services for domestic and commercial solid waste generated within the municipality and may provide these 50 services for industrial wastes and sewage treatment plant

sludge. Each municipality may provide these solid waste disposal

services by itself, through a regional association in which it is
a participating municipality or by exclusive or nonexclusive

contract or franchise with a 3rd party.

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STATEMENT OF FACT

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This bill makes the following changes to laws regarding solid waste handling services provided by a municipality.

- 12 1. It clarifies that a municipality may enact an ordinance under which it may award exclusive or nonexclusive franchises to perform solid waste collection, transportation and other handling tasks.
- 2. It gives a municipality authority to assess service the charges for the handling of solid waste generated in the municipality.
- 3. It specifies the manner in which these service charges may be assessed and collected.
- 4. It authorizes a municipality to provide solid waste disposal services itself, through a regional association or by a contract or franchise with a 3rd party.