Ratification of Solid Waste Management District Disposal and Generation Fees

**Applicable Laws**
- Ohio Revised Code (ORC) Section 3734.57(B) (for disposal fees)
- ORC Section 3734.573 (for generation fees)

**When is ratification required?**
In solid waste management planning, there are two instances when ratification must occur:

1. When establishing, amending, or repealing a solid waste disposal or generation fee (fee). That is the topic of this guidance.
2. When developing a solid waste management district (SWMD) solid waste management plan (plan) (see Guidance 0655 — Ratification of Solid Waste Management District Solid Waste Management Plans).

The policy committee of a SWMD and the board of trustees of a solid waste management authority are responsible for levying and ratifying fees.

[For simplicity, for the rest of this guidance, policy committee is used to refer to policy committee and board of trustees.]

**Fee Ratification Overview**
Before a SWMD can collect a new, collect a modified or quit collecting a fee, policy committee must first ratify the new or change to the existing fee. Ratification is the process prescribed by law that allows the SWMD’s constituents to approve or disapprove the new or modified fee. The policy committee can ratify a new, a change to an existing fee, or rescind an existing fee separately at the same time as ratifying a solid waste management plan.

**Ratification of a Fee Separate From a Plan**
The basic steps in the process to ratify a fee separate from a plan are as follows:

1. resolution from the policy committee;
2. public notice;
3. public hearing;
4. revision, if necessary based on comments, of the proposed fee;
5. adoption of the fee by the policy committee; and
6. approval/disapproval by board(s) of county commissioners and legislative authorities of municipal corporations (i.e. cities) and townships. For purposes of this document, unless indicated otherwise, legislative authorities for municipalities and for townships are collectively referred to as legislative authorities.

Each of the steps listed above is described in more detail on the following pages.

**Adoption of Resolution by Policy Committee**
The policy committee must first adopt a resolution that establishes the proposed fee (which could be a new fee, a new dollar amount for an existing fee, or eliminating an existing fee). After adopting the resolution, the policy committee must deliver copies of the resolution to:

- the board of county commissioners of each county in the SWMD; and
- all legislative authorities within the jurisdiction of the SWMD.

**Public Notice**
The policy committee must publish its resolution and a notice announcing the time and location where a public hearing concerning the proposed fee will be held. [Ohio EPA recommends that the policy committee include the date of the public hearing in the notice. The statute does not require this.]
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The policy committee is required to publish the public notice, including the resolution, at least 30 days before a public hearing is to be held. At the same time as publishing the public notice and delivering the resolution to the boards of county commissioners and the legislative authorities, the policy committee must send written notice regarding the proposed fee to:

- the director of Ohio EPA;
- the 50 industrial, commercial or institutional facilities generating the largest quantities of solid waste in the SWMD; and
- the local trade associations representing the industrial, commercial or institutional facilities generating the largest quantities of solid waste in the SWMD.

The written notice to the parties listed above must:
- announce the adoption of the resolution;
- state the amount of the proposed fee; and
- list the time, date and location of the public hearing.

Public Hearing

The policy committee holds the public hearing.

Revise the Fee (if necessary)

After the public hearing, the policy committee may keep the proposed fee unchanged or revise the fee, as appropriate.

Adopting the Fee

The policy committee next adopts the fee through a new resolution.

Approval/disapproval

The policy committee must deliver a copy of the final resolution containing the fee to:
- the board of county commissioners for each county in the SWMD; and
- all legislative authorities within the jurisdiction of the SWMD.

Within 60 days of receiving a copy of the resolution, each board of county commissioners and each legislative authority must either approve or disapprove the fee through a resolution or ordinance. The resolution or ordinance represents that board of county commissioners’ or legislative authority’s vote.

Each board of county commissioners and each legislative authority must deliver a copy of its resolution or ordinance to the policy committee within the 60-day period.

Votes are tabulated by the policy committee as follows:

- resolutions or ordinances that are received by the policy committee within the 60-day period and that approve the fee are considered as yes votes;
- resolutions or ordinances that are received by the policy committee within the 60-day period and that disapprove the fee are considered as no votes; and
- if a board of commissioners or legislative authority fails to deliver a resolution or ordinance (either approving or disapproving the fee) to the policy committee within the 60-day period, that board of commissioners or legislative authority is considered as having given a yes vote.

The criteria for determining whether a proposed fee is ratified depend upon the number of counties in the SWMD. The policy committee declares the proposed fee to be ratified as follows.

For a SWMD composed of a single county, the fee must be approved by:
- the board of county commissioners;
- the legislative authority representing the municipality with the largest population in the SWMD; and
- legislative authorities representing a combined population of at least 60 percent of the SWMD’s total population (the population of the municipality with the largest population counts for the 60 percent).

For a SWMD composed of two or three counties, the fee must be approved by:
- the board of county commissioners for each county in the SWMD;
- the legislative authority representing the municipality with the largest population from each county (one for each county); and
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- legislative authorities representing a combined population of at least 60 percent of the SWMD’s total population (the populations of the largest municipalities count toward achieving the 60 percent).

For a SWMD composed of four or more counties, the fee must be approved by:
- a majority (one more than half) of the boards of county commissioners from the counties within the SWMD;
- a majority of the legislative authorities representing the municipalities with the largest populations in their respective counties, one from each county, within the jurisdiction of the SWMD (for example, a SWMD with five counties has five municipalities, one from each county, from which a majority vote must be received. Of those, at least three municipalities must approve the fee); and
- legislative authorities representing a combined population of at least 60 percent of the SWMD’s total population (the populations of the largest municipalities from the previous bullet point can count toward achieving the 60 percent).

The policy committee declares the proposed fee to be ratified when all the criteria listed above (under the appropriate scenario) are met.

To ratify a generation fee of more than $5.00 per ton of solid waste, the policy committee must obtain approval from legislative authorities representing at least 75 percent of the SWMD’s total population, in all scenarios.

Notification of Ratified Fee
Within 14 days of declaring the fee ratified, the policy committee must notify the owner or operator of each solid waste disposal facility that will be required to collect the fee of the new or amended fee. This notification must be sent via certified mail and must inform the owner or operator of the need to collect the fee and the amount of the fee.

Schedule for Collecting Fees
Collecting new or amended fees begins on the first day of the second month following the month in which notification is sent to the owner(s) or operator(s) of the facility(ies). For example, if the policy committee sends notice to an owner or operator in March, collection of the fee would begin on May 1.

The process to repeal an existing fee is the same as that for a new fee or a fee revision. If a fee is repealed, collecting the fee would cease on the first day of the second month following the month in which notification is sent to the owner or operator of the facility.

If the SWMD had an existing fee in place prior to ratifying a revised fee, then owners and operators of solid waste disposal facilities receiving waste from the SWMD must collect and remit those existing fees until collection of the revised fee begins, as explained previously.

Ratifying a Fee Along with Ratifying a Plan
The policy committee may establish, amend or repeal its fee in conjunction with the approval of an initial or an amended plan. Since the ratification process for plans and the ratification process for fees are nearly the same, the policy committee should follow the process explained in DMWM Guidance 0655 — Ratification of Solid Waste Management District Solid Waste Management Plans while keeping the following points in mind.
- The policy committee must include the proposed fee in all public notices issued for the plan.
- The plan ratification process is 90 days, whereas the fee ratification process is 60 days. Because it is being ratified along with the plan, the fee must also undergo the entire 90-day ratification process.
- If a policy committee wishes to ratify a generation fee of more than $5.00 per ton in conjunction with the plan, then the policy committee will need to receive approval from legislative authorities representing at least 75 percent of the SWMD’s population to consider the plan ratified.

Within 14 days after receiving an Ohio EPA director’s order approving the ratified plan, the policy committee must notify the owner or operator of all solid waste disposal facilities that are required to collect the fee of the new or changed fee. Collection of the fee begins on the first day of the second month following the month in which the notification was sent.
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Related Documents
The Division of Materials and Waste Management (DMWM) developed the following series of documents to describe the requirements from HB 592 that apply to Ohio's solid waste management planning program.

- 0196 — House Bill 591
- 0594 — Ratification of Solid Waste Management District Disposal and Generation Fees
- 0633 — Local Solid Waste Management Planning Process
- 0655 — Ratification of Solid Waste Management District Solid Waste Management Plans
- 0658 — Materials Management Advisory Council
- 0659 — State Solid Waste Management Plan
- 1004 — Local Solid Waste Management Plans
- 1005 — Solid Waste Management Districts

The documents listed above and the current state solid waste management plan are available on the Solid Waste Management Planning page on DMWM's website. Interested parties can also contact DMWM to obtain hard copies of the documents and the current state plan.

For More Information
Ohio EPA
Division of Materials and Waste Management
P.O. Box 1049
Columbus, Ohio 43215-1049
(614) 644-2621 (phone)
(877) 372-2621 (toll free)
(614) 728-5315 (fax)
epa.ohio.gov/dmwm/Home.aspx

For more information about the planning process and solid waste management in your area, contact your local SWMD. To determine which SWMD you live in, use the Map of Ohio's Solid Waste Management Districts that is available on the Solid Waste Management Planning page on DMWM's website.

To contact your SWMD, call or email the person listed on the Ohio Solid Waste Management Districts: Coordinators and Directors that is available on the Solid Waste Management Planning page of DMWM's website. You can also contact DMWM to get information about your SWMD.

Q1 How long does it take to complete the ratification process for a proposed fee?

Many factors can affect how long the ratification process will take. The answer depends in part upon whether the fee is being ratified in conjunction with, or separate from, a solid waste management plan (plan) and in part on how long it takes to complete each step in the ratification process.

When ratifying a fee along with a plan, the policy committee for a solid waste management district must keep in mind that ratification is just one step in the overall process of developing and adopting a plan. Because of this, ratifying a fee along with a plan more than likely will take a great deal longer than ratifying the fee separately.

The statute provides solid waste management districts with 33 months to complete the plan preparation and adoption process (15 months allocated to preparing the draft plan and 18 months allocated to Ohio EPA reviews and ratification of the plan). [For a more in-depth discussion of the plan ratification process, please see DMWM Guidance 0655 — Ratification of Solid Waste Management District Solid Waste Management Plans.]

For most solid waste management districts, completing the plan development process takes the entire 33-month period prescribed by the statute. For some solid waste management districts, the process takes longer than 33 months (if the solid waste management district begins preparing the draft plan more than 15 months before it is due) and for others the process takes less than 33 months.

The major steps in the ratification process alone can require up to four months (publication of the public notice (30 days prior to the public hearing) and adoption by board(s) of county commissioners and legislative authorities of municipalities and townships (up to 90 days)). This four-month period does not take into account the time needed to hold
the public hearing, to revise the plan based on public comments, for the policy committee to vote on adoption or rejection of the plan, and to deliver copies of the draft plan to the boards of county commissioners and legislative authorities.

Depending upon how much time each of these other steps require, the ratification process can take much longer than four months. This four months is in addition to the time the policy committee needs to write the draft plan, the 45 days Ohio EPA is allotted to review the draft plan, the time the policy committee needs to make changes and revisions to the plan based on Ohio EPA’s comments, the 90 days Ohio EPA is allotted to review the ratified plan, etc. In addition, the policy committee will need to notify the solid waste disposal facilities of the ratified fee. The fee cannot actually be levied until after the plan has been approved by Ohio EPA. Furthermore, collection of the ratified fee cannot begin until the first day of the second month following the month in which notification is sent to the owner or operator of the facility.

When ratifying a fee separate from a plan, the process is much simpler and also typically takes significantly less time. Again, however, it is not possible to give an exact time frame since the amount of time that transpires from the beginning to the end of the ratification process will depend upon how long it takes the policy committee to complete each step of the process.

The major steps in the fee ratification process alone can require up to three months (publication of the public notice (30 days prior to holding the public hearing) and adoption of a resolution or ordinance by board(s) of county commissioners and legislative authorities of municipalities and townships (60 days)). This three-month period does not take into account the time needed to adopt the initial resolution that establishes the proposed fee, to hold the public hearing, to revise the fee, to adopt a new resolution, if needed, and to notify the owners or operators of affected solid waste disposal facilities of the ratified fee.

Q2 Is it better to ratify a fee along with the plan or separate from the plan?

There are reasons for and against ratifying a fee in conjunction with a plan. The first reason for ratification in conjunction with a plan is the minimization of expenses associated with ratification. In particular, combining the ratification of a fee along with the ratification of the plan eliminates the need to publish separate public notices for the fee and the draft plan. Depending on the size of the solid waste management district and the number of newspapers in which the public notice must be published, this can be a significant cost savings. Another reason in favor of dual ratification is that constituents voting on the proposed fee will be able to determine, by reading the plan, what they are getting in return for the fees that they are ratifying.

There are several reasons which might lead the policy committee of a solid waste management district to ratify a fee separate from the plan. The first of these reasons is the difference in the amount of time it takes to ratify a plan compared to the amount of time it takes to ratify a fee. In general, it takes much longer to ratify a plan than it does a fee (please see the answer to Q1 above). A solid waste management district that is facing financial difficulties and that wants to levy a fee quickly more than likely will opt to ratify the fee separate from the plan.

A second reason supporting separate ratification processes is controversy regarding the plan itself. If the policy committee of a solid waste management district is unable to obtain ratification of the plan, then the fee fails to be ratified as well. Therefore, if the policy committee anticipates that the plan may fail ratification due to issues related to the plan, but the proposed fee can pass ratification, then the policy committee should consider separate ratification processes. If the proposed fee is the issue leading to ratification failure, then the policy committee may want to consider separate ratification processes in order to obtain plan ratification.

Yet another reason in favor of separate ratification processes is the potential for the policy committee to receive disapproval of the plan from Ohio EPA. If Ohio EPA disapproves a district’s ratified plan, even though both the fee and the plan have been ratified, then the proposed fee cannot be collected. For this reason, the policy committee may want to consider ratifying the proposed fee separate from the plan.

Please be aware that the public notice requirements differ somewhat for ratifying plans from those that apply to ratifying fees. When ratifying a fee in conjunction with a plan, the policy committee will need to ensure that it has met the applicable requirements for both processes.
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Q3 How should documents be delivered during the ratification process?
Regardless of whether the fee is being ratified in conjunction with, or separate from, a plan, Ohio EPA strongly suggests that the policy committee of a solid waste management district deliver items (such as resolutions/ordinances, copies of the draft plan, etc.) to the boards of county commissioners, the legislative authorities of municipalities and townships (legislative authorities) and the 50 largest generators of industrial waste and their trade associations either by hand or via certified mail.

When ratifying a fee separate from a plan, the policy committee must deliver copies of the policy committee’s resolution/ordinance adopting the proposed fee to all boards of county commissioners and legislative authorities within the solid waste management district’s jurisdiction. Delivering the resolution/ordinance by hand or via certified mail enables to the policy committee to determine the exact beginning and end date for the 60-day period during which the boards of county commissioners and legislative authorities have to adopt/reject the fee. It also ensures that the proper parties receive the items in order to vote on them and eliminates any potential question as to whether or not the policy committee fulfilled its obligations.

Ohio EPA also suggests that the boards of county commissioners and legislative authorities deliver copies of their resolutions/ordinances (either approving or denying the proposed fee) to the policy committee either by hand or via certified mail. This will enable the board of county commissioners/legislative authority to determine the exact date the policy committee received the resolution/ordinance, thereby eliminating questions regarding the timeliness of the delivery. This is particularly important since failure on the part of a board of county commissioners or legislative authority to deliver a resolution/ordinance either approving or denying the proposed fee within the 60-day period allotted results in a vote of yes being registered for that board of county commissioners/legislative authority.

Q4 Does the policy committee need to send notification of the date, time and location of the public hearing to the board(s) of county commissioners and legislative authorities representing municipalities and townships?
No, the solid waste statute does not require the policy committee to send such notification to the board(s) of county commissioners and legislative authorities representing municipalities and townships during the process of ratifying a fee. However, the statute does require that policy committee provide such notification during the process for ratifying a solid waste management plan. Therefore, for consistency purposes, the policy committee may wish to provide this notification when undergoing the process to ratify a solid waste fee. This will ensure that all parties are properly informed and that confusion isn’t created between the processes to ratify plans and fees.

Q5 What if the policy committee fails to notify one of the 50 largest generators of solid waste in the solid waste management district or one of the applicable local trade associations?
The policy committee is required to make a good faith effort to notify the 50 largest generators of solid waste and their local trade associations. If one, or even several, of the applicable entities are missed, the policy committee more than likely will not invalidate the ratification proceedings. However, failure to provide notice to any of the applicable parties could very well invalidate the ratification proceedings.

Q6 Does notifying local chambers of commerce satisfy the requirement to notify local trade associations?
No. While local chambers of commerce are good contacts for identifying the local trade associations, the intent of the statute is that the policy committee actually sends the notification to the associations and organizations representing the industries that operate in the SWMD. Therefore, Ohio EPA recommends that the policy committee send the required notification directly to the local trade associations to avoid claims that the policy committee did not fulfill their statutory requirements. In addition, notifying the local chambers of commerce is probably a good idea, but it is not necessary to do so and should be done, therefore, at the discretion of the SWMD.

Q7 What process is the policy committee required to follow to discontinue collection of a fee?
The procedure for ratifying a new fee or a change to an existing fee applies to repealing a fee as well. Collection of a repealed fee stops on the first day of the second month following the month in which notification is sent to the owner or operators of solid waste disposal facilities that were required to collect the fee.
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Q8 The policy committee must publish the resolution that establishes a proposed fee and a public notice that indicates where and when a public hearing will be held regarding the proposed fee. The statute does not indicate where this notice is to be published. What does Ohio EPA recommend?

In the process to ratify a SWMD plan, the policy committee must publish the public notice in at least one newspaper of general circulation throughout the SWMD. Therefore, Ohio EPA recommends that the public notice regarding the proposed fee be published in the same manner; in at least one newspaper of general circulation throughout the SWMD. If the SWMD is composed of multiple counties, and there isn’t one newspaper distributed in all of the counties, then the policy committee may need to publish the public notice in several newspapers. The intent of the statute is that all citizens in the SWMD be informed of the proposed fee. Thus, the policy committee should publish the notice in as many newspapers as necessary to ensure that the citizens are properly notified.

Q9 Once the fee is ratified, the policy committee must notify the owners and operators of the solid waste disposal facilities that will be collecting the fee of the new fee. The entity collecting the fee can differ depending on the type of fee the solid waste management district will be levying. Who should I send the notification to?

If the ratified fee is a generation fee, then the policy committee will need to send the notification to all solid waste disposal facilities (for example, landfills and transfer facilities) that accept waste from the SWMD. If the ratified fee is a disposal fee, then the policy committee will need to send the notification to only those solid waste disposal facilities (for example, landfills) that are located within the SWMD.

Q10 Can the policy committee ratify a fee with that will change over several years?

Yes, provided that the policy committee clearly specifies the dates the fee will change and the amount of each change in the public notice, public hearing and the final resolution. [For example, the policy committee may adopt a resolution for ratification that indicates that the fee for the tier disposal fees will increase by $0.50 on a certain date, such as one year from ratification, provided that the additional $0.50 fee does not exceed the allowable fee amounts identified in Division (B) of Section 3734.57 of the Ohio Revised Code.]

Q11 Can the policy committee ratify a fee that allows the policy committee to change the amount when deemed necessary?

No, the policy committee cannot adopt a fluctuating fee that does not specify exactly when the amount of the fee will change and by how much. This is the case even if the policy committee identifies an upper or lower limit as a boundary on the amount of the fee. For example, the policy committee of a SWMD with an existing generation fee of $1.00 may not adopt a resolution to ratify a generation fee not to exceed $1.75 per ton and then periodically charge anywhere between $1.00 and $1.75 as revenue is needed.

Q12 Should Ohio EPA be notified after the fee has been ratified?

The statute requires that the policy committee notify Ohio EPA of the policy committee’s intent to ratify a fee. The statute does not require that Ohio EPA be notified as to whether ratification was successful. As a courtesy, Ohio EPA requests that the policy committee provide Ohio EPA with notification that the fee has been ratified.

For fees that are ratified in conjunction with a plan, there is no need for the policy committee to provide such notification since Ohio EPA is allotted 90 days to review the ratified draft plan. As a reminder, the form that Ohio EPA sends to the SWMDs for purposes of reporting quarterly fee information requires that resolutions establishing fees be attached to the form when it is submitted to Ohio EPA.
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Q13  Can a ratified fee be collected if the policy committee doesn't fulfill all notification requirements in accordance with the deadlines mandated by the statute? For example, a policy committee obtains ratification for a fee but doesn't notify the owners and operators of the solid waste disposal facilities that dispose of waste generated from within the SWMD until six months after declaring the fee to be ratified. Can the fee be collected once the notification has been completed, even though it was done six months rather than 14 days after declaring the fee to be ratified?

A strict interpretation of the statute is that if all the steps that are mandated for ratification of a fee are not followed as specified in the statute and in the time-frames mandated by the statute, then the ratification was not performed in compliance with the statute and the ratified fee cannot be collected.

The statute specifically requires that notification be mailed to the solid waste disposal facilities not later than 14 days after declaring the fee to be ratified. Since, in the example, the policy committee did not notify the owners and operators of the solid waste disposal facilities until six months following the declaration that the fee was ratified, the policy committee should re-perform the entire ratification process prior to attempting to require facility owners and operators to collect the fee.

Ohio EPA strongly suggests that a SWMD that falls into this scenario consult with their legal representatives before either proceeding to require facility owners and operators to collect the fee or re-performing the ratification process.

Q14  How should the policy committee conduct the public hearing?

The statute does not address how the public hearing is to be conducted. When conducting public hearings, Ohio EPA generally adheres to and recommends that others consider the following guidelines:

- Location: Use a public building such as a public-school building, or some other governmental building. It is best to select a facility that is centrally located within the SWMD and is easily accessible.

- Meeting Materials: Distribute an agenda and provide sign-in sheets for hearing attendees’ names and addresses. These sheets will serve as an attendance record as well as a mailing list for any materials sent to attendees following the hearing.

- Stenographer: Although not required by statute, make provisions for the creation of an official transcript of the hearing proceedings. Ohio EPA generally recommends hiring a court reporter/stenographer to provide this service.

- Equipment: If the policy committee intends to use a presentation, then the policy committee will want to ensure that a laptop computer, a projector, and a screen are available at the facility. If not, then the policy committee will need to provide this equipment. In addition, Ohio EPA recommends that the policy committee have two tables, one for registration/sign-in, and one for presenters/panel members to sit behind. Other equipment that may be needed includes a sound system (if hearing is going to be held in an auditorium or if policy committee expects there to be many people in attendance) and a podium.

- Agenda: Include the names, affiliations, professional titles and telephone numbers of meeting participants and a brief discussion of the meeting format. A moderator or other panel member should introduce all speakers/panel members and outline the meeting format. The meeting agenda should provide time for the following events:
  - someone from the policy committee should provide a brief overview of the plan ratification process, the function of the plan and the contents of the proposed plan;
  - the policy committee/panel should respond to questions and comments from the audience prior to beginning the official hearing; and
  - allow members of the audience to submit written and/or oral comments on or objections to the proposed fee. It is a good idea to limit the amount of time any one individual can speak (for example, five minutes per individual). This is the portion of the hearing for which the official transcript should be prepared. (Note: the policy committee/panel should refrain from responding to testimony during this portion of the hearing. Interaction between the policy committee/panel and the audience should occur in the question and answer portion of the agenda.)
Q15 What if the policy committee does not notify a facility of the generation fee ratification, and this facility later accepts district waste?

According to the statute, if the owner or operator of a solid waste transfer or disposal facility that did not receive the notification to collect the new or amended generation fees receives solid waste generated from within the SWMD levying the fee, then the facility owner or operator must notify the board of county commissioners of the SWMD levying the fee in writing. This notice must be sent by the facility owner or operator to the board of county commissioners within 30 days of receiving the waste. Within 30 days of receiving the notice, the board of county commissioners must send a written notice to the facility indicating whether the district levies generation fees and, if so, the amount of the fee being levied. In order to avoid this situation, some SWMDs send the notification to all solid waste transfer and disposal facilities in the state.