

TWENTY-FOURTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE

First Regular

SESSION, 2025

S. B. No. 24-08

A BILL FOR AN ACT

To amend certain provisions of the CNMI Recycling Act of 1999 to establish the Department of Public Works as its proper authority; and for other purposes.

BE IT ENACTED BY THE TWENTY-FOURTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE:

1 **Section 1. Findings and Purpose.** The Legislature finds that CNMI Public Law
2 11-122, codified under 2 CMC § 3511 *et seq.*, entitled, “Commonwealth Recycling Act of
3 1999”, was enacted to establish a long-term disposal capacity for the Commonwealth. The
4 specified public law also established the Advance Disposal Fee Program for specific
5 materials deemed viable for diversion and the promulgation authority for such a program.
6 Cognizant of Solid Waste Management being under the Department of Public Works
7 (DPW), the Legislature finds that it would be appropriate to amend certain sections of the
8 Commonwealth Recycling Act to grant DPW the promulgation authority to carry out the
9 Advanced Disposal Fee Program. As the agency whose purview includes Solid Waste
10 Management, it has a better understanding of the management and operation of the
11 pertinent facilities. Hence, it is appropriate for the DPW to manage the Advance Disposal
12 Fee program.

13 Therefore, the purpose of this Act is to amend certain provisions of the CNMI
14 Recycling Act of 1999 to establish the Department of Public Works as the proper authority.

15 **Section 2. Amendment.** 2 CMC § 3532 is amended to read as follows:

16 **“§3532. Advance Disposal Fees.**

17 There is hereby established within the ~~Division of Environmental Quality~~
18 Department of Public Works (DPW), the authority to develop Advance Disposal Fees
19 (ADFs) for specific materials deemed viable for diversion. Those items taxed under 4 CMC
20 § 1405 shall be exempt from any advance disposal fee under this chapter. The division is

1 hereby authorized to evaluate those specific materials and develop a fee structure through
2 regulation that will provide the proper economic support for diversion programs.

3 In evaluating the benefits of diverting various materials from disposal, the ~~DEQ~~
4 DPW should consider the environmental and economic benefits of diversion, the existing
5 and potential markets for the material, and the existing collection and processing
6 infrastructure.

7 The evaluation should be based on the following:

8 (a) The environmental impacts of the material, both from disposal and from
9 improper management;

10 (b) The toxicity of the material within the waste stream;

11 (c) The quantities of the material within the waste stream;

12 (d) The strength and stability of markets for the material;

13 (e) The ease of separation and collection of the material using existing equipment
14 and technology; and

15 (f) The local benefits, both environmental and economic of on-island uses for
16 products produced from the material.”

17 **Section 3. Amendment.** 2 CMC § 3533 is hereby amended to read as follows:

18 **“§3533. Promulgation of Regulations.**

19 The ~~DEQ~~ Department of Public Works (DPW) shall promulgate rules and
20 regulations establishing a specific Advance Disposal Fee program for each material. In
21 developing these regulations and procedures, the legislature intends that, whenever
22 possible, the product importer or wholesaler shall have a role in the collection and
23 redemption process, either ~~through~~ directly developing redemption agreements with the
24 product retailers or ~~by~~ contracting out for buyback services with permitted recyclers. The
25 ADF program shall include (where appropriate):

26 (a) The amount of the fee necessary to create a self-sufficient diversion program,
27 including collection, processing, and shipping costs; provide adequate incentive to the
28 public to return the material, administer the program, and provide for public education. The

1 development of the fee should include an assessment of both the total costs of diversion
2 and any revenue from the sale of the material.

3 (b) The method of collection of the fees, the establishment of accounting
4 procedures for the money collected, and a process for auditing payment by importers.

5 (c) Administrative sanctions pursuant to 1 CMC §§ 9101 et seq. for failure to
6 comply with rules and regulations promulgated in support of this legislation.

7 (d) Details of the specific use of the funds, including the establishment of various
8 methods of disbursement (grants, contracts, avoided cost payments, etc.)

9 (e) A program for market development, public education and outreach.

10 (f) The establishment of the specific responsibilities of retailers and wholesalers in
11 the collection of the materials, payment of rebates, and education of consumers.

12 (g) The establishment of specific responsibilities of retailers and wholesalers who
13 import or sell materials subject to the provisions of this chapter.

14 When developing a fee and diversion program, each specific material should be
15 considered separately, except when collection, processing, or marketing issues indicate a
16 benefit for co-management. The rules and regulations shall be developed according to the
17 material diversion priorities established by ~~DEQ~~ DPW and shall be material specific.”

18 **Section 4. Amendment.** 2 CMC § 3534 of the Commonwealth Code is hereby
19 amended to read as follows:

20 **“§3534. Funding of Diversion Activities.**

21 (a) There is hereby created within the Commonwealth Treasury an Environmental
22 Management Fund. All funds collected through the imposition of Advance Disposal Fees
23 shall be deposited in this fund, specifically established for the diversion of the specific
24 materials through:

25 ~~(a)~~(1) Internal operations and shared agency costs such as the operation of
26 collection and transfer facilities for recyclable materials;

27 ~~(b)~~(2) Contracting for the private sector operation of collection and
28 processing activities;

1 ~~(e)~~(3) Payment of Avoided Costs Payments to permitted recyclers, buy back
2 centers, or others authorized under this chapter.

3 ~~(d)~~(4) The construction of facilities or purchase of containers or equipment
4 necessary to collect, process, and re-manufacture the material, including their repair
5 and maintenance.

6 ~~(e)~~(5) Payments offsetting shipping costs to off-island markets; and

7 ~~(f)~~(6) To fund CNMI or private sector market development activities, with
8 a prime focus on the development of local uses, including research and
9 demonstration projects, start-up grants for local manufacturers; and

10 ~~(g)~~(7) To fund CNMI or private sector education and outreach activities,
11 including personal service contracts, media and publication costs and other related
12 items;

13 ~~(h)~~(8) To partially cover the costs of funding for the position of recycling
14 coordinator or other staff whose duties include the promotion of diversion
15 activities, oversight of diversion grants or contracts or the accounting requirement
16 of the fund;

17 ~~(i)~~(9) Administration of the program including the collection of the fees and
18 oversight of payments to other agencies or the private sector;

19 ~~(j)~~(10) Travel and training pertinent to the improvement of diversion
20 activities for the targeted materials.

21 (b) The Secretary of the Department of Public Works, in consultation with the
22 Director of Solid Waste Management, shall be the expenditure authority of such funds."

23 **Section 5. Amendment.** 2 CMC § 3535 is amended to read as follows:

24 **"§3535. Inspection of Records and Premises.**

25 The DEQ and/or DPW or ~~its~~ their agents shall have the authority to inspect the
26 records of any business or individual that may be engaged in the import of materials
27 covered by this chapter, and to promulgate regulations concerning record keeping."

28 **Section 6. Severability.** If any provision of this Act or the application of any such
29 provision to any person or circumstance should be held invalid by a court of competent

1 jurisdiction, the remainder of this Act or the application of its provisions to persons or
2 circumstances other than those to which it is held invalid shall not be affected thereby.

3 **Section 7. Savings Clause.** This Act and any repealer contained herein shall not
4 be construed as affecting any existing right acquired under contract or acquired under
5 statutes repealed or under any rule, regulation, or order adopted under the statutes.
6 Repealers contained in this Act shall not affect any proceeding instituted under or pursuant
7 to prior law. The enactment of the Act shall not have the effect of terminating, or in any
8 way modifying, any liability, civil or criminal, which shall already be in existence on the
9 date this Act becomes effective.

10 **Section 8. Effective Date.** This Act shall take effect upon its approval by the
11 Governor or becoming law without such approval.

Date: 1/27/25

Introduced By: 
Senator Manny Gregory T. Castro

Reviewed for Legal Sufficiency by:


Senate Legal Counsel