UFISINAN I MAGA'HÅGA
OFFICE OF THE GOVERNOR

LOURDES A. LEON GUERRERO
MAGA'HÅGA • GOVERNOR

JOSHUA F. TENORIO
SIGUNDO MAGA'LÅHI • LIEUTENANT GOVERNOR

October 3, 2019

35GL-19-1074
Speaker Tina Rose Muña Barnes

OCT 0 3 2019
Time 1:02 ( )AM (X)PM
Received By: Matt

2019 OCT -3 PM 1:32

**HONORABLE TINA MUNA BARNES**
Speaker
*I Mina'trentai Singko Na Liheslaturan Guåhan*
Guam Congress Building
163 Chalan Santo Papa
Hagåtña, Guam 96932

**Re: Bill No. 198-35 (LS) – *An Act to Adopt the Rules and Regulations for the Recycling Revolving Fund as Transmitted by the Guam Environmental Protection Agency***

Dear Madame Speaker:

I have previously reviewed these rules and regulations for the Recycling Revolving Fund with the Lieutenant Governor back in July of this year. While serving as *Åkto Maga'låhen Guåhan*, the Lieutenant Governor approved these rules and regulations as to policy. Today, I sign them into law as **Public Law No. 35-37**.

This is a much-needed step towards executing recycling initiatives on Guam. Without a doubt, our natural resources are our most precious. We are extremely behind in protecting them and must devote more attention to our island. This effort will allow us to lessen impacts to our landfill and remove blight from all our villages. I appreciate the momentum that Senator Perez has provided us with the passage of this bill, and I know that the Lieutenant Governor is working with her towards more initiatives.

I would appreciate any assistance from the Legislature to help me support these efforts.

*Senseremente,*

**LOURDES A. LEON GUERRERO**
*Maga'hågan Guåhan*
Governor of Guam

Enclosure(s): Bill No. 198-35 *nka* Public Law 35-37

cc via email: *Sigundo Maga'låhen Guåhan*
Compiler of Laws

RICARDO J. BORDALLO GOVERNOR'S COMPLEX · HAGÅTÑA, GUAM 96910
P.O. BOX 2950 · HAGÅTÑA, GUAM 96932
671.472.8931 · 671.472.8932/6

1074

2019-Le096

RCVD AT CENTRAL FILES
SEP 30 '19 PM3:49

Tina Sanchez

*I MINA'TRENTAI SINGKO NA LIHESLATURAN GUÅHAN*
**2019 (FIRST) Regular Session**

**CERTIFICATION OF PASSAGE OF AN ACT TO *I MAGA'HÅGAN GUÅHAN***

This is to certify that **Bill No. 198-35 (LS), "AN ACT TO ADOPT THE RULES AND REGULATIONS FOR THE RECYCLING REVOLVING FUND AS TRANSMITTED BY THE GUAM ENVIRONMENTAL PROTECTION AGENCY,"** was on the 30th day of September 2019, duly and regularly passed.

**Tina Rose Muña Barnes**
**Speaker**

Attested:

**Amanda L. Shelton**
**Legislative Secretary**

---

This Act was received by *I Maga'hågan Guåhan* this 30th day of September, 2019, at 3:47 o'clock P.M.

Assistant Staff Officer
*Maga'håga's* Office

APPROVED:

Lourdes A. Leon Guerrero
*I Maga'hågan Guåhan*

Date: 10/3/2019

Public Law No. 35-37

Tina Sanchez
RCVD AT CENTRAL FILES
SEP 30 '19 PM3:52

*I MINA'TRENTAI SINGKO NA LIHESLATURAN GUÅHAN*
**2019 (FIRST) Regular Session**

**Bill No. 198-35 (LS)**

Introduced by: Sabina Flores Perez
William M. Castro
Régine Biscoe Lee
Kelly Marsh (Taitano), PhD
James C. Moylan
Louise B. Muña
Tina Rose Muña Barnes
Telena Cruz Nelson
Clynton E. Ridgell
Joe S. San Agustin
Amanda L. Shelton
Telo T. Taitague
Jose "Pedo" Terlaje
Therese M. Terlaje
Mary Camacho Torres

**AN ACT TO ADOPT THE RULES AND REGULATIONS FOR THE RECYCLING REVOLVING FUND AS TRANSMITTED BY THE GUAM ENVIRONMENTAL PROTECTION AGENCY.**

**BE IT ENACTED BY THE PEOPLE OF GUAM:**

**Section 1.** *I Mina'trentai Singko Na Liheslaturan Guåhan* does hereby adopt the Rules and Regulations for the Recycling Revolving Fund, as transmitted by the Guam Environmental Protection Agency and attached as "Exhibit A."

**Section 2. Effective Date.** This Act *shall* be effective upon enactment.

# GUAM'S RECYCLING REVOLVING FUND
# RULES AND REGULATIONS
## Title 22, Division 4, Chapter 24, Article 3

## TABLE OF CONTENTS

**SECTION 24301. GENERAL PROVISIONS ..... 1**
§24301.1 Purpose and Applicability ..... 1
§24301.2 Definitions ..... 1
**SECTION 24302. ADMINISTRATION OF THE RECYCLING REVOLVING FUND ... 3**
**SECTION 24303. RECYCLING INITIATIVES ..... 4**
§24303.1 Mayor's Council of Guam Island-wide Environmental Cleanup Program (IECP) 4
§24303.2 Recycling Industry Economic Stimulus Program Applicability and Eligibility ..... 4
§24303.3 Recycling Industry Economic Stimulus Program Payment Calculation ..... 5
§24303.4 Guam Beverage Container Recycling ..... 7
§24303.5 Integrated Solid Waste Management Plan ..... 7
§24303.6 Green Waste Plan ..... 7
§24303.7 Disaster Debris Management ..... 7
§24303.8 Zero Waste Grant Program ..... 7

# GUAM'S RECYCLING REVOLVING FUND
# RULES AND REGULATIONS
# Title 22, Division 4, Chapter 24, Article 3

## SECTION 24301. GENERAL PROVISIONS

§24301.1 Purpose and Applicability

The purpose of this Chapter is to clarify existing statute, provide a uniform competitive business environment to all, and establish the minimum standards to properly implement and administer Guam's Recycling Revolving Fund in accordance with Title 10 of the Guam Code Annotated (GCA), Chapter 51, Article 3, under the authority granted by 10 GCA §51307(c).

§24301.2 Definitions

For the purposes of this Chapter, the terms defined in 10 GCA, Chapter 51 Article 3, §51301 shall have the meaning ascribed to them therein, and the following words and phrases, together with all of the common derivations thereof, shall have the meaning ascribed to them as follows:

(a) **"Beneficial Use"** shall mean the substitution of materials, either as generated or following additional processing, for some or all of the virgin materials in a natural or commercial product in a way that: provides a functional benefit; meets product specifications; and does not pose concerns to human health or the environment.

(b) **"Best Available Technology"** shall mean a recognized and approved technology by United States Environmental Protection Agency.

(c) **"Board"** shall mean the Board of Directors of the Guam Environmental Protection Agency.

(d) **"Disaster Debris"** shall mean any items and materials broken, destroyed, or displaced by a natural or man-made federally or locally declared disaster. Examples of disaster debris include, but are not limited to, trees, construction and demolition material, and personal property.

(e) **"Disaster Debris Management"** shall mean the removal and disposal of debris that was generated by a disaster and which presents an immediate threat to the public interest.

(f) **"Electronic Waste"** or **"E-Waste"** shall mean electrical and electronic equipment that is dependent on electric currents or electromagnetic fields in order to function (including all components, subassemblies and consumables, which are part of the original equipment at the time of discarding). For example e-waste may include consumer/entertainment electronics such as televisions, DVD players and tuners; Devices of office, information and communications technology such as computers, circuit boards, telephones and mobile phones.

(g) **"Import"** shall mean to bring in, or accept delivery of recyclable materials from any source outside of Guam.

(h) **"Person"** or **"Persons"** shall mean any individual, partnership, co-partnership, firm, company, corporation, association, joint stock company, trust, estate, or any agency, department, or instrumentality of the Federal or local government, or any other legal representatives, agents or assigns.

(i) **"Priority Materials"** shall mean all those materials identified by the Fund, in the order specified in section 24302.1(b) of this Article.

(j) **"Recovered Resources"** shall mean material or solid waste that has been diverted from disposal for the purpose of recycling, composting or mulching. This term does not include incineration or those materials that are generated and normally reused on-site for manufacturing purposes.

(k) **"Recycling Industry Economic Stimulus Program"** shall mean a program that provides economic stimulus to local recycling companies that ship recyclable materials off island.

(l) **"Solid Waste Management Facility"** means any facility, or any machinery, equipment, vehicles, structures or any part of accessories thereof installed or acquired for the primary purpose of collection, transportation, storage, recycling, processing or disposal of solid waste, and shall include sanitary landfills or resource recovery facilities.

(m) **"Stimulus Certification Form"** shall mean a form officially issued by Guam EPA to be completed by the Economic Stimulus Program Participants to disclose and certify the types and quantities of recyclable materials shipped off-island to a recycling facility.

(n) **"Sustainable Materials Management"** means a systemic approach to using and reusing materials more productively over their entire lifecycles.

(o) **"Special Waste"** means white goods, household hazardous waste, automotive batteries and abandoned vehicles.

(p) **"Zero Waste"** means a holistic approach to addressing the problem of unsustainable resource flows. Zero Waste encompasses waste eliminated at the source through product design and producer responsibility, and waste reduction strategies further down the supply chain such as recycling, reuse and composting.

## SECTION 24302. ADMINISTRATION OF RECYCLING REVOLVING FUND

(a) Monies in the Recycling Revolving *Fund* shall be administered, managed, and maintained by the GEPA Administrator for the implementation of 10 GCA Chapter 51, Article 3, in accordance with the requirements of the Article.

(b) The Administrator may use the *Fund* for the recycling initiatives described under §24303 in these Regulations with the following priorities:

First Priority: junk vehicles, tires, batteries, waste oil, white goods/appliances;
Second Priority: paper, cardboard, plastic and glass;
Third Priority: other recyclables as determined by the Administrator, and

(c) The Administrator shall determine the funding for each of the recycling initiatives and submit the determination to the Board for approval by March 31st of each year. The approved funding will be effective on the following fiscal year.

**SECTION 24303. RECYCLING INITIATIVES**

§24303.1 Mayor's Council of Guam (MCOG) Island-wide Environmental Cleanup Program (IECP)

(a) The Administrator may approve contracts between the MCOG and recycling companies for the collection, recycling, disposal and processing or any combination thereof, of automobiles, buses, heavy equipment, trucks, batteries, tires, white goods, and other recyclable materials in accordance with Articles 3 and 4 of Title 10 GCA, Chapter 51,and 24303.1(b) to implement an IECP with the following conditions:

1. All applicable procurement laws must be followed;
2. Each contract must be conditioned upon proof that the recycling company has current permits for the work it is to perform, including, but not limited to, solid waste facility permits, solid waste collection permits, certifications, or other permits or licenses required to collect, remove, recycle or dispose of solid waste
3. Each contract must be conditioned upon compliance with all solid waste rules and regulations; and
4. Each contract must require the recycling company to report all recyclables collected per village under this program to Guam EPA upon submittal of invoices to MCOG for payment.

(b) In each fiscal year, prior to any collection, processing, or storage of recyclable materials under a contract pursuant to this section, a comprehensive *Operation Plan* for the contractual work described in §24303.1(a) must be submitted by the MCOG to Guam EPA and receive approval from the Administrator. The Administrator shall only approve the *Operation Plan* if the *Operation Plan* contains in detail the operational systems that address collection, processing, storage, emergency procedures, health and safety, reporting and closeout procedures for each municipality.

(c) The Administrator may use funds to support the recycling initiatives in this Section subject to the following conditions:

1. Funds may be expended only in accordance with valid contracts approved under this Section;
2. No funds shall be disbursed prior to the Administrator's approval of the Operation Plan described in §24303.1(b); and
3. Unused funds must be returned to the Recycling Revolving Fund every fiscal year.

§24303.2. Recycling Industry Economic Stimulus Program Applicability and Eligibility

(a) Potential Recycling Industry Economic Stimulus Program Participants must establish eligibility by meeting all of the following criteria:

1. Possess a valid license from the Guam Department of Revenue and taxation to conduct business of Guam;
2. Possess a valid solid waste management facility permit from Guam EPA for processing and storage;
3. Provide a bill of lading or similar documentation detailing the types of recyclable materials shipped, quantity in tons, and name of receiving facility;
4. Complete and submit all applicable Stimulus Certification Forms provided by Guam EPA; and
5. Remain in compliance with all solid waste rules and regulations.

(b) Only recyclable materials generated on Guam are eligible for payments under this Section. Recyclable materials imported into Guam for purposes such as, but not limited to, transit or consolidation shall not qualify under this Program.

§24303.3. Recycling Industry Economic Stimulus Program Payment Calculation

(a) Recycling Industry Economic Stimulus Program participants who establish eligibility by meeting all the criteria specified in Section 24303.2(a) may receive an economic stimulus payment for each ton of recyclable material transported off Guam to a recycling facility.

(b) Stimulus payments will be made in the order that completed forms are received by Guam EPA until approved funding has been exhausted.

(c) By March 31st of each year, the Administrator may select the eligible recycling materials for the next fiscal year based on global market trends, and submit a written recommendation to the Board for its approval. If the Board does not approve any eligible recycling materials for a particular year, no stimulus payments will be made in that year.

(d) Each year, the Administrator may determine the dollar amount per recyclable material to be disbursed to the eligible recycling facilities and submit a written recommendation to the Board for its approval. The dollar amount per recyclable material shall based on factors including the prioritization of materials, market conditions, economic analyses, and operational, transportation, and processing costs in its assessment, and

1. A base stimulus payment calculation per recyclable material expressed as follows: Base Stimulus Payment [dollars per ton] = Shipping Cost - Market Price.

    i. "Shipping cost" is calculated using the World Freight Rates Freight Calculator or comparable shipping cost resource for port-to-port containerized ocean shipments and the U.S. EPA Office of Resource Conservation and Recovery Volume-to-Weight Conversion Factors; and

    ii. "Market price" is equivalent to the RecycleNet scrap index or comparable market index material sale price on the first day of the quarter preceding the start of the next fiscal year.

2. A stimulus payment may be issued for recyclable materials when the calculated Stimulus Payment exceeds zero dollars ($0.00) per ton (i.e., stimulus will not be paid when the recycled material is revenue positive); and
3. The Administrator shall determine the funding levels of stimulus payments to be paid subject to the availability of funds and funding priorities.

(e) For the fiscal year beginning October 1, 2019, the Administrator may select the eligible materials, subject to Board approval and applicable stimulus payments.

| | | |
|---|---|---|
| 193 | §24303.4 | Guam Beverage Container Recycling- RESERVE |
| 194 | §24303.5 | Integrated Solid Waste Management Plan- RESERVE |
| 195 | §24303.6 | Green Waste Plan- Composting and Organics RESERVE |
| 196 | **§24303.7** | **Disaster Debris Management- RESERVE** |
| 197 | **§24303.8** | **Zero Waste Grant Program – RESERVE** |