LEGISLATIVE COMMITTEE MINUTES

SB629

Bill as Introduced

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SB 629-FN - AS INTRODUCED

2020 SESSION

20-3059 08/06

SENATE BILL 629-FN

AN ACT establishing the solid waste reduction management fund and establishing a solid waste disposal surcharge.

SPONSORS: Sen. Watters, Dist 4; Sen. Birdsell, Dist 19; Sen. Fuller Clark, Dist 21; Sen. Kahn, Dist 10; Rep. Ebel, Merr. 5; Rep. O'Connor, Rock. 6; Rep. M. Murray, Hills. 22; Rep. Wolf, Merr. 5

COMMITTEE: Energy and Natural Resources

ANALYSIS

This bill:

I. Establishes the solid waste reduction management fund.

II. Establishes a solid waste disposal surcharge.

III. Repeals the existing surcharge on out-of-state waste.

Explanation:Matter added to current law appears in **bold italics.**Matter removed from current law appears [in brackets and struckthrough.]Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

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STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty

	AN ACT establishing the solid waste reduction management fund and establishing a solid waste disposal surcharge.
	Be it Enacted by the Senate and House of Representatives in General Court convened:
1	1 New Chapter; Solid Waste Reduction Management Fund. Amend RSA by inserting after
2	chapter 149-Q the following new chapter:
3	CHAPTER 149-R
4	SOLID WASTE REDUCTION MANAGEMENT FUND
_ 5	149-R:1 Findings and Purpose. The general court finds that the proper and integrated
6	management of solid waste under RSA 149-M, including the enhancement of waste reduction and
7	waste diversion methods, has become a matter of great concern. The general court hereby declares
8	that the purpose of RSA 149-R is to provide support for the solid waste reduction technical
9	assistance, planning, and regulatory and permitting activities of the department of environmental
10	services; and to assist communities, businesses, and the general public with their efforts to improve
11	solid waste reduction management activities.
12	149-R:2 Definitions. In this chapter:
13	I. "Commissioner" means the commissioner of the department of environmental services.
14	II. "Department" means the department of environmental services.
15	III. "Disposal" means depositing in a landfill or processing in an incinerator or waste-to-
16	energy facility.
17	IV. "Fund" means the solid waste reduction management fund established under RSA 149-
18	R:3.
19	V. "Solid waste" means solid waste as defined in RSA 149-M:4, XXII.
20	149-R:3 New Hampshire Solid Waste Reduction Management Fund Established.
21	I. There is hereby established the New Hampshire solid waste reduction management fund
22	to be used for the purposes of this chapter.
23	II. This non-lapsing, revolving special fund is hereby continuously appropriated to be
24	expended by the department in accordance with this chapter. All moneys not currently needed to
25	meet the obligations of the department shall be deposited in a separate fund, designated the New
26	Hampshire solid waste reduction management fund. The state treasurer shall invest the moneys
27	deposited in accordance with RSA 6:8. Any earnings on fund moneys shall be added to the fund.
28	149-R:4 Purpose and Use' of the Fund.
29	I. The fund shall be used for technical assistance and regulatory activities of the
30	department's solid waste reduction management program, including costs for administration,

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planning, education and outreach, compliance monitoring, enforcement, and permitting activities
 directly associated with approved activities in this chapter.

3 II. The fund shall be used to provide annual payments to municipalities to offset costs 4 associated with the solid waste disposal surcharge established under RSA 149-R:5, at the rate of 5 \$1.50 per ton of solid waste for which the municipality was financially responsible for disposal at a 6 New Hampshire landfill, incinerator, or waste-to-energy facility, in accordance with procedures 7 established by rulemaking under the authority of RSA 149-R:6, I.

8 III. The fund shall be used to provide matching grant funding to municipalities or private 9 entities for projects, including a regional or municipal materials recycling facility operated by a 10 public or private entity, and other regional recycling efforts, that will provide a demonstrated, 11 significant improvement in waste diversion methods and contribute to reduction of wastes requiring 12 disposal.

IV. The fund may be used to hire consultants, contractors, or to pay other necessary
expenses directly associated with approved activities in this chapter.

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149-R:5 Solid Waste Disposal Surcharge.

16 I. Beginning July 1, 2021, each holder of a permit issued pursuant to RSA 149-M for a 17 landfill, incinerator, or waste-to-energy facility in New Hampshire shall pay to the department a 18 quarterly surcharge of \$1.50 per ton of solid waste disposed of at such facility.

II. Such payment shall be made quarterly by each facility permit holder, on forms and with
 supporting documentation as provided for in rulemaking conducted pursuant to RSA 149-R:6, I.

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III. The department shall deposit surcharges collected under this section into the fund.

IV. Failure to pay surcharges within 60 days of the date due shall result in the assessment of interest at a rate established by the commissioner. The commissioner may waive all or any portion of interest for good cause. The department shall deposit interest collected under this section into the fund.

149-R:6 Rulemaking. The commissioner shall adopt rules, after public hearing and pursuant to
 RSA 541-A, relative to:

 $\mathbf{28}$

I. The time, amount, and manner of payment of solid waste disposal surcharges.

II. Required records to be kept by facility permit holders of the type and quantity of solid
 waste disposed.

31 III. Certified reports required to be submitted with surcharge payments by facility permit32 holders.

IV. The time, amount, and manner of payments to municipalities pursuant to RSA 149-R:4,
II.

V. Certified reports required to be submitted by municipalities requesting payments
 pursuant to RSA 149-R:4, II.

37 VI. Administering matching grants pursuant to RSA 149-R:4, III.

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1	VII. Uses of the fund and changes to uses of the fund.
2	149-R:7 Penalty; Fine. Any facility permit holder shall be guilty of a misdemeanor who:
3	I. Does not pay the surcharge required in RSA 149-R:5; or
4	II. Knowingly gives or causes to be given any false information in reports, records, or
5	documents required by the department under RSA 149-R.
6	149-R:8 Annual Report. The department shall submit a biennial report commencing on October
7	1, 2021 to the governor and council, speaker of the house of representatives, and president of the
8	senate, relative to the activities and finances of the solid waste management fund.
9	, 2 Administration and Enforcement of Solid Waste Reduction Management Fund. Amend RSA
10	149-M:6, XI to read as follows:
11	XI. [Assess a surcharge on the disposal of out of state solid waste in the amount of \$1 per
12	ton, which shall be assessed against the person transporting the out of state solid waste to the
13	facility and not assessed against the facility. The surcharge shall be assessed and collected only with
14	respect to the first point of disposal, processing, or treatment within this state. The proceeds-shall
15	be used by the department to reduce and offset general fund expenditures for solid waste
16	management.] Administer and enforce the provisions of RSA 149-R.
17	3 New Subparagraph; New Hampshire Solid Waste Reduction Management Fund. Amend RSA
18	6:12, I(b) by inserting after subparagraph (358) the following new subparagraph:
19 ,	(359) Moneys deposited in the New Hampshire solid waste reduction management
20	fund established in RSA 149-R:3.
21	4 Repeal. RSA 149-M:7, VII, relative to rulemaking relative to the out-of-state waste disposal
22	surcharge, is repealed.

23 5 Effective Date. This act shall take effect July 1, 2020.

LBAO 20-3059 12/23/19

SB 629-FN- FISCAL NOTE AS INTRODUCED

AN ACT establishing the solid waste reduction management fund and establishing a solid waste disposal surcharge.

FISCAL IMPACT:	[X] State	[X] County	[X] Local	[] None
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	Estimated Increase / (Decrease)					
STATE:	FY 2020	FY 2021	FY 2022	FY 2023		
Appropriation	\$0	\$0	\$0	\$0		
Revenue	\$0	\$0	\$2,200,000	\$2,900,000		
Expenditures	\$0	\$0	\$1,700,000	\$2,600,000		
Funding Source:	[] General [waste reduction man	177 H. L. 1997 H. 1997] Highway [X]	Other - Solid		

COUNTY:

Revenue	, \$ 0	\$0	\$0	\$0
Expenditures	\$0	\$0	Indeterminable Increase	Indeterminable Increase

LOCAL:

Revenue	\$0	\$0	\$375,000	\$750,000
Expenditures	\$0	\$0	\$750,000	\$750,000

METHODOLOGY:

This bill establishes the solid waste reduction management fund, establishes a solid waste disposal surcharge and eliminates the existing surcharge on out-of-state waste.

The Department of Environmental Services provided the following facts and assumptions regarding the fiscal impact of this bill.

- In 2018, 1.978 million tons of solid waste was disposed in New Hampshire.
- The \$1.50 surcharge per ton of solid waste established by the bill will be assessed on permitted landfills, incinerators and waste-to energy facilities (waste disposal facilities).
- The surcharge will be implemented on July 1, 2021. Payments will be made in arrears following each fiscal quarter, with the first payment due in October 2021. Revenue in FY 2022 will consist of 3 quarterly payments (October, January and April).
- While permitted waste disposal facilities will be responsible for paying the surcharge to the State, it is assumed the surcharge will be passed through to each facility's customers.

- In the case of landfill, materials used as alternate daily cover would not be subject to the surcharge.
- Surcharge payments will be deposited into the dedicated Solid Waste Management Fund created by the bill.
- Each municipality will be eligible to receive annual payments from the fund equal to the amount of surcharge paid on the solid waste generated by the municipality's activities, and on waste collected from residents and businesses, but paid for by the municipality.
- To receive the annual payments, municipalities will submit annual reports verifying their eligibility. The Department assumes the reports will be due by March 31 for the prior calendar year in alignment with the current reporting schedule required for permitted solid waste facilities. The first report would be due on March 31, 2022 for waste disposed between July 1, 2021 and December 31, 2021. Reports in subsequent
 -years-will-be for-a full-calendar-year. The annual payments to municipalities will be made before the end of each fiscal year on June 30th.
- Facilities owned by a municipality will be required to pay the surcharge on all waste disposed, but the municipality will be eligible to receive payment for the portion for which the municipality was directly responsible for collection and disposal.
- Roughly 35-45% of the in-state waste disposed at NH disposal facilities originates from municipal sources. For this analysis, the Department assumes the higher end of this range. In 2018, 1,089,330 tons of solid waste originated from in-state. 45% of this amount, or roughly 500,000 tons is assumed to have been disposed by NH municipalities in 2018.
- The fund will be used to provide for solid waste planning, technical assistance, education, and outreach; payments to municipalities; and administration of the grant program to distribute matching funds for projects and infrastructure that support waste reduction and diversion.
- While the bill does not establish new positions, the Department assumes a portion of the revenue generated by the bill would be used to create and fund five new positions, starting in December 2021, necessary to carry out the provisions of the bill. These positions include the following:
 - o Program Specialist III, LG 23, to administer the solid waste management fund, municipal payments and grant applications.
 - o Program Assistant I, LG19, to administer grant applications and other related duties.
 - o Environmentalist III, LG24, to provide technical assistance and education.
 - o Principal Planner, LG24, to perform solid waste management planning, data management and technical assistance.

- o Administrator II, LG 31, for program management, supervision, solid waste management planning and technical assistance.
- Approximately 40-50% of the annual revenue deposited in the fund, estimated to be \$1.3 million annually, will be used for matching grants as outlined in proposed RSA 149-R:4, III.

Based on the assumptions and information provided the Department estimated the fiscal impact as follows:

SOLID WASTE REDUCTION MANAGEMENT FUND		
REVENUE	FY 2022*	FY 2023
Quarterly Surcharge (\$1.50 per ton X 1,978 million tons)	\$2,200,000	\$2,900,000
Payments to Municipalities (Approximately 500 tons X \$1.50)	(\$375,000)	(\$750,000)
Subtotal (Net Revenue):	\$1,825,000	\$2,150,000
County Grants/County Revenue (None expected)	\$0	\$0
Municipal Matching Grants (Indeterminable)	IND	IND
EXPENDITURES		
Salary, benefits and associated costs for five new positions		
listed above.	\$324,000	\$528,000
Grant Program (Assuming 40-50% of Annual Revenue)	\$1,000,000	\$1,300,000

* Revenue in FY 2022 will consist of 3 quarterly payments. Municipal revenue would be for two quarters in FY 2022 as reports will be due by March 31. Expenditures for staff in FY 2022 are for half a year since the positions would be filled in December of 2021.

The Department indicates municipalities operating waste facilities may incur minimal administrative costs to complete the annual reporting forms. Such costs are expected to be minor because of the information would already be recorded for accounting purposes. In addition, counties may incur costs for the surcharge payment on waste generated by county facilities. There would be no impact or county revenue.

AGENCIES CONTACTED:

Department of Environmental Services

Amendments

Sen. Watters, Dist 4 February 3, 2020 2020-0406s 08/11

Amendment to SB 629-FN

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4	Amend the title of the bill by replacing it with the following:
1	Amend the title of the bin by replacing it with the following.
2	AN ACT establishing the solid waste management fund and establishing a solid waste
3 4	AN ACT establishing the solid waste management fund and establishing a solid waste disposal surcharge.
5	
6	Amend the bill by replacing all after the enacting clause with the following:
7	
8	1 New Chapter; Solid Waste Management Fund. Amend RSA by inserting after chapter 149-Q
9	the following new chapter:
10	CHAPTER 149-R
11 [.]	SOLID WASTE MANAGEMENT FUND
12	149-R:1 Findings and Purpose. The general court finds that the proper and integrated
13	management of solid waste under RSA 149-M, including the enhancement of waste and waste
14	diversion methods, has become a matter of great concern. The general court hereby declares that
15	the purpose of RSA 149-R is to provide support for the solid waste reduction technical assistance,
16	planning, and regulatory and permitting activities of the department of environmental services and
17	to assist communities, businesses, and the general public with their efforts to improve solid waste
18	reduction and diversion activities.
19	149-R:2 Definitions. In this chapter:
20	I. "Commissioner" means the commissioner of the department of environmental services.
21	II. "Department" means the department of environmental services.
22	III. "Disposal" means depositing in a landfill or processing in an incinerator or waste-to-
23	energy facility.
24	IV. "Fund" means the solid waste management fund established under RSA 149-R:3.
25	V. "Solid waste" means solid waste as defined in RSA 149-M:4, XXII.
26	149-R.3 New Hampshire Solid Waste Management Fund Established.
27	I. There is hereby established the New Hampshire solid waste management fund to be used
28	for the purposes of this chapter.
29	II. This non-lapsing, revolving special fund is hereby continuously appropriated to be
30	expended by the department in accordance with this chapter. All surcharges collected under RSA
31	149-R:5 shall be deposited in a separate fund, designated the New Hampshire solid waste

management fund. The state treasurer shall invest the moneys deposited in accordance with RSA
6:8. Any earnings on fund moneys shall be added to the fund.

3 149

149-R:4 Purpose and Use of the Fund.

I. The fund shall be used to support the administration and implementation of the department's solid waste technical assistance, planning, and regulatory and permitting activities, including waste reduction and diversion technical assistance, long term solid waste management planning, education and outreach efforts, and administration of payments in accordance with paragraphs II and III.

9 II. The fund shall be used to provide annual payments to New Hampshire municipalities to 10 offset costs associated with the solid waste disposal surcharge established under RSA 149-R:5, at the 11 rate of \$1.50 per ton of solid waste for which the municipality was financially responsible for 12 disposal at a New Hampshire landfill, incinerator, or waste-to-energy facility in accordance with 13 procedures established by rulemaking under the authority of RSA 149-R:6, I.

14 III. The fund shall be used to provide matching grant funding to New Hampshire 15 municipalities or private entities for projects that will provide a demonstrated, significant 16 improvement in waste diversion methods and contribute to a reduction of wastes requiring disposal, 17 including a regional or municipal materials recovery facility operated by a public or private entity, 18 and other regional recycling efforts.

19 IV. The fund may be used to hire consultants, contractors, or to pay other necessary 20 expenses directly associated with approved activities in this chapter.

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149-R:5 Solid Waste Disposal Surcharge,

I. Beginning July 1, 2021, solid waste disposed of at a New Hampshire landfill, incinerator, or waste-to-energy facility shall be subject to a surcharge of \$1.50 per ton.

II. Such surcharge shall be paid quarterly to the department by each holder of a permit issued pursuant to RSA 149-M for a New Hampshire landfill, incinerator, or waste-to-energy facility for the solid waste disposed at such facility on forms and with supporting documentation as provided for in rulemaking conducted pursuant to RSA 149-R:6, I.

28 III. The first payment of the surcharge shall be due to the department no later than October 29 31, 2021 and within 30 days of each quarter's end thereafter.

IV The department shall deposit surcharges collected under this section into the fund.

31 V. Failure to pay surcharges within 60 days of the date due shall result in the assessment of 32 interest at a rate established by the commissioner. The commissioner may waive all or any portion 33 of interest for good cause. The department shall deposit interest collected under this section into the 34 fund.

149-R:6 Rulemaking. The commissioner shall adopt rules, after public hearing and pursuant to
 RSA 541-A, relative to:

37

30

I. The time, amount, and manner of payment of solid waste disposal surcharges.

1.	Π . Required records to be kept by facility permit holders of the type and quantity of solid
2	waste disposed.
3	III. Certified reports required to be submitted with surcharge payments by facility permit
4	holders.
5	IV. The time, amount, and manner of payments to New Hampshire municipalities pursuant
6	to RSA 149-R:4, II.
7	V. Certified reports required to be submitted by municipalities requesting payments
8	pursuant to RSA 149-R:4, II.
9	VI. Administering matching grants pursuant to RSA 149-R:4, III.
10	149-R:7 Penalty. Any facility permit holder shall be guilty of a misdemeanor who
11	I. Does not pay the surcharge required in RSA 149-R:5; or
12	II. Knowingly gives or causes to be given any false information in reports, records, or
13	documents required by the department under this chapter.
14	149-R:8 Biennial Report. The department shall-submit a biennial report commencing on
15	October 1, 2022 to the governor and council, the speaker of the house of representatives, and the
16	president of the senate, relative to the activities and tinances of the solid waste management fund.
17	2 Administration and Enforcement of Solid Waste Management Fund. Amend RSA 149-M:6, XI
18	to read as follows:
19	XI. [Assess a surcharge on the disposal of out of state solid waste in the amount of \$1 per
20	ton, which shall be assessed against the person transporting the out of state solid waste to the
21	facility and not assessed against the facility. The surcharge shall be assessed and collected only with
22	respect to the first point of disposal, processing, or treatment within this state. The proceeds shall
23	be used by the department to reduce and offset general fund expenditures for solid waste
24	management.] Administer and enforce the provisions of RSA 149-R.
25	3 New Subparagraph; New Hampshire Solid Waste Management Fund. Amend RSA 6:12, I(b)
26	by inserting after subparagraph (358) the following new subparagraph:
27	(359) Moneys deposited in the New Hampshire solid waste management fund
28	established in RSA 149-R:3.
²⁹ /	4 Repeal. RSA 149-M:7, VII, relative to rulemaking relative to the out-of-state waste disposal
30	surcharge is repealed.
31	5-Effective Date. This act shall take effect July 1, 2020.

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Amendment to SB 629-FN - Page 4 -

2020-0406s

AMENDED ANALYSIS

This bill:

- I. Establishes the solid waste management fund.
- II. Establishes a solid waste disposal surcharge.
- III. Repeals the existing surcharge on out-of-state waste.

Sen. Watters, Dist 4 March 2, 2020 2020-0997s 08/06

Amendment to SB 629-FN

Amend the title of the bill by replacing it with the following: 1 2 establishing the solid waste management fund and establishing a solid waste 3 AN ACT 4 disposal surcharge. 5 Amend the bill by replacing all after the enacting clause with the following: 6 7 1 New Chapter; Solid Waste Management Fund. Amend RSA by inserting after chapter 149-Q 8 9 the following new chapter: CHAPTER 149-R 10 SOLID WASTE MANAGEMENT FUND 11 The general court finds that the proper and integrated 149-R:1 Findings and Purpose. 12management of solid waste under RSA 149-M, including the enhancement of waste and waste 13 diversion methods, has become a matter of great concern. The general court hereby declares that 14 the purpose of RSA 149-R is to provide support for the solid waste reduction technical assistance, 15 planning, and regulatory and permitting activities of the department of environmental services and 16to assist communities, businesses and the general public with their efforts to improve solid waste 17reduction and diversion activities. 18 149-R:2 Definitions. In this chapter: 19 I. "Commissioner" means the commissioner of the department of environmental services. 20II. "Cover material" means soil or other functionally equivalent material that is placed over $\mathbf{21}$ solid waste at a landfill The term does not include materials used to construct a landfill capping 2223system. "Department" means the department of environmental services. III. $\mathbf{24}$ "Disposal" means depositing in a landfill or processing in an incinerator or waste-to-25energy facility. $\mathbf{26}$ V. "Fund" means the solid waste management fund established under RSA 149-R:3. 27VI. "Solid waste" means solid waste as defined in RSA 149-M:4, XXII. 28149-R:3 New Hampshire Solid Waste Management Fund Established. 29I. There is hereby established the New Hampshire solid waste management fund to be used 30 31 for the purposes of this chapter.

Amendment to SB 629-FN - Page 2 -

1 II. This non-lapsing, revolving special fund is hereby continuously appropriated to be 2 expended by the department in accordance with this chapter. All surcharges collected under RSA 3 149-R:5 shall be deposited in a separate fund, designated the New Hampshire solid waste 4 management fund. The state treasurer shall invest the moneys deposited in accordance with RSA 5 6:8. Any earnings on fund moneys shall be added to the fund.

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149-R:4 Purpose and Use of the Fund.

I. The fund shall be used to support the administration and implementation of the department's solid waste technical assistance, planning, and regulatory and permitting activities, including waste reduction and diversion technical assistance, long term solid waste management planning, education and outreach efforts, and administration of payments in accordance with paragraphs II and III.

12II. The fund shall be used to provide annual payments to New Hampshire municipalities, for source reduction and recycling efforts to fully offset costs associated with the solid waste disposal 1314 surcharge established under RSA 149-R:5, at the rate of \$1.50 per ton of solid waste for which the municipality was financially responsible for disposal at a New Hampshire landfill, incinerator, or 15waste-to-energy facility, in accordance with procedures established by rulemaking under the 16 authority of RSA 149-R:6, I. Such rulemaking shall specifically address the unique circumstances 17for municipalities that own and operate a facility that is subject to RSA 149-R:5, or that are part of a 18 solid waste district that owns and operates such a facility, to ensure that the costs incurred by those 19 20municipalities are offset consistent with this chapter.

III. The fund shall be used to provide matching grant funding to New Hampshire municipalities, private entities, and businesses for projects that will provide a demonstrated, significant improvement in waste diversion methods and contribute to a reduction of wastes requiring disposal, including a regional or municipal materials recovery facility operated by a public or private entity, and other regional recycling efforts. Not less than 50 percent of grant funds shall be made available to private entities and businesses for such projects in New Hampshire.

27 IV. The fund may be used to hire consultants, contractors, or to pay other necessary
 28 expenses directly associated with approved activities in this chapter.

149-R:5 Solid Waste Disposal Surcharge.

I. Beginning July 1, 2021, solid waste disposed of at a New Hampshire landfill, incinerator,
or waste-to-energy facility shall be subject to a surcharge of \$1.50 per ton. Notwithstanding RSA
149-M:4, XXII, materials used as cover material shall not be subject to the surcharge.

II. Such surcharge shall be paid quarterly to the department by each holder of a permit
issued pursuant to RSA 149-M for a New Hampshire landfill, incinerator, or waste-to-energy facility
for the solid waste disposed at such facility on forms and with supporting documentation as provided
for in rulemaking conducted pursuant to RSA 149-R:6, I.

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Amendment to SB 629-FN - Page 3 -

III. The first payment of the surcharge shall be due to the department no later than October 1 $\mathbf{2}$ 31, 2021 and within 30 days of each quarter's end thereafter. IV. The department shall deposit surcharges collected under this section into the fund. 3 V. Failure to pay surcharges within 60 days of the date due shall result in the assessment of 4 interest at a rate established by the commissioner. The commissioner may waive all or any portion 5 of interest for good cause. The department shall deposit interest collected under this section into the 6 $\mathbf{7}$ fund. 149-R:6 Rulemaking. The commissioner shall adopt rules, after public hearing and pursuant to 8 9 RSA 541-A, relative to: I. The time, amount, and manner of payment of solid waste disposal surcharges 10 II. Required records to be kept by facility permit holders of the type and quantity of solid 11 12waste disposed. 13 III. Certified reports required to be submitted with surcharge payments by facility permit holders. 14 IV. The time, amount, and manner of payments to New Hampshire municipalities pursuant 15 16 to RSA 149-R:4, II. Certified reports required to be submitted by municipalities requesting payments V. 17pursuant to RSA 149-R:4, II. 18 VI. Administering matching grants pursuant to RSA 149-R:4, III. 19 149-R:7 Penalty. Any facility permit holder shall be guilty of a misdemeanor who: 20 I. Does not pay the surcharge required in RSA 149-R:5; or 21II. Knowingly gives or causes to be given any false information in reports, records, or 22documents required by the department under this chapter. 23149-R:8 Biennial Report. The department shall submit a biennial report commencing on $\mathbf{24}$ October 1, 2022 to the governor and council, the speaker of the house of representatives, and the 25president of the senate, relative to the activities and finances of the solid waste management fund. 262 Administration and Enforcement of Solid Waste Management Fund. Amend RSA 149-M:6, XI $\mathbf{27}$ to read as follows: $\mathbf{28}$ [Assess-a surcharge on the disposal of out of state solid waste in the amount of \$1 per ŶΊ. $\mathbf{29}$ ton, which shall be assessed against the person transporting the out-of-state solid waste to the 30 facility and not-assessed against the facility. The surcharge shall be assessed and collected only with 31 respect to the first point of disposal, processing, or treatment within this state. The proceeds shall 32be used by the department to reduce and offset general-fund expenditures for solid waste 33 management.] Administer and enforce the provisions of RSA 149-R. 34 3 New Subparagraph; New Hampshire Solid Waste Management Fund. Amend RSA 6:12, I(b) 35 by inserting after subparagraph (358) the following new subparagraph: 36

Amendment to SB 629-FN - Page 4 -

1 (359) Moneys deposited in the New Hampshire solid waste management fund 2 established in RSA 149-R:3.

3 4 Repeal. RSA 149-M:7, VII, relative to rulemaking relative to the out-of-state waste disposal 4 surcharge, is repealed.

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5 Effective Date. This act shall take effect July 1, 2020.

['] 2020-0997s

AMENDED ANALYSIS

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This bill:

I. Establishes the solid waste management fund.

II. Establishes a solid waste disposal surcharge.

III. Repeals the existing surcharge on out-of-state waste.

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12	149-R:1 Findings and Purpose. The general court finds that the proper and integrated
13	management of solid waste under RSA 149-M, including the enhancement of waste and waste
14	diversion methods, has become a matter of great concern. The general court hereby declares that
15	the purpose of RSA 149-R is to provide support for the solid waste reduction technical assistance,
16	planning, and regulatory and permitting activities of the department of environmental services and
17	to assist communities, businesses, and the general public with their efforts to improve solid waste
18	reduction and diversion activities.
19	149-R:2 Definitions. In this chapter:
20	I. "Commissioner" means the commissioner of the department of environmental services.
21	II. "Cover material" means soil or other functionally equivalent material that is placed over
22	solid waste at a landfill. The term does not include materials used to construct a landfill capping
23	system.
24	III. "Department" means the department of environmental services.
25	IV. "Disposal" means depositing in a landfill or processing in an incinerator or waste-to-
26	energy facility.
27	V. "Fund" means the solid waste management fund established under RSA 149-R:3.
28	VI. "Solid waste" means solid waste as defined in RSA 149-M:4, XXII.
29	149-R:3 New Hampshire Solid Waste Management Fund Established.
30	I. There is hereby established the New Hampshire solid waste management fund to be used
31	for the purposes of this chapter.

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Amendment to SB 629-FN - Page 2 -

1 This non-lapsing, revolving special fund is hereby continuously appropriated to be II. 2 expended by the department in accordance with this chapter. All surcharges collected under RSA 3 149-R:5 shall be deposited in a separate fund, designated the New Hampshire solid waste 4 management fund. The state treasurer shall invest the moneys deposited in accordance with RSA 5 6:8. Any earnings on fund moneys shall be added to the fund.

6

149-R:4 Purpose and Use of the Fund.

7 The fund shall be used to support the administration and implementation of the I. 8 department's solid waste technical assistance, planning, and regulatory and permitting activities, 9 including waste reduction and diversion technical assistance, long term solid waste management 10 planning, education and outreach efforts, and administration of payments in accordance with 11 paragraphs II and III.

12 II. The fund shall be used to provide annual payments to New Hampshire municipalities, for 13source reduction and recycling efforts to fully offset costs associated with the solid waste disposal 14 surcharge established under RSA 149-R:5, at the rate of \$1.50 per ton of solid waste for which the municipality was financially responsible for disposal at a New Hampshire landfill, incinerator, or 1516 waste-to-energy facility, in accordance with procedures established by rulemaking under the 17authority of RSA 149-R:6, I. Such rulemaking shall specifically address the unique circumstances 18 for municipalities that own and operate a facility that is subject to RSA 149-R:5, or that are part of a 19 solid waste district that owns and operates such a facility, to ensure that the costs incurred by those 20municipalities are offset consistent with this chapter.

21

The fund shall be used to provide matching grant funding to New Hampshire III. municipalities, private entities, and businesses for projects that will provide a demonstrated, $\mathbf{22}$ 23significant improvement in waste diversion methods and contribute to a reduction of wastes $\mathbf{24}$ requiring disposal, including a regional or municipal materials recovery facility operated by a public or private entity, and other regional recycling efforts. Not less than 50 percent of grant funds shall 2526be made available to private entities and businesses for such projects in New Hampshire.

The fund may be used to hire consultants, contractors, or to pay other necessary 27IV. $\mathbf{28}$ expenses directly associated with approved activities in this chapter.

29

149-R:5 Solid Waste Disposal Surcharge.

30 I. Beginning July 1, 2021, solid waste disposed of at a New Hampshire landfill, incinerator, 31 or waste-to-energy facility shall be subject to a surcharge of \$1.50 per ton. Notwithstanding RSA 32149-M:4, XXII, materials used as cover material shall not be subject to the surcharge.

33 II. Such surcharge shall be paid quarterly to the department by each holder of a permit 34issued pursuant to RSA 149-M for a New Hampshire landfill, incinerator, or waste-to-energy facility 35 for the solid waste disposed at such facility on forms and with supporting documentation as provided 36 for in rulemaking conducted pursuant to RSA 149-R:6, I.

Amendment to SB 629-FN - Page 3 -

1	III. The first payment of the surcharge shall be due to the department no later than October
2	31, 2021 and within 30 days of each quarter's end thereafter.
3	IV. The department shall deposit surcharges collected under this section into the fund.
4	V. Failure to pay surcharges within 60 days of the date due shall result in the assessment of
5	interest at a rate established by the commissioner. The commissioner may waive all or any portion
6	of interest for good cause. The department shall deposit interest collected under this section into the
7	fund.
8	149-R:6 Rulemaking. The commissioner shall adopt rules, after public hearing and pursuant to
9	RSA 541-A, relative to:
10	I. The time, amount, and manner of payment of solid waste disposal surcharges.
11	II. Required records to be kept by facility permit holders of the type and quantity of solid
12	waste disposed.
13	III. Certified reports required to be submitted with surcharge payments by facility permit
14	holders.
15	IV. The time, amount, and manner of payments to New Hampshire municipalities pursuant
16	to RSA 149-R:4, II.
17	V. Certified reports required to be submitted by municipalities requesting payments
18	pursuant to RSA 149-R:4, II.
19	VI. Administering matching grants pursuant to RSA 149-R:4, III.
20	149-R:7 Penalty. Any facility permit holder shall be guilty of a misdemeanor who:
21	I. Does not pay the surcharge required in RSA 149-R:5; or
22	II. Knowingly gives or causes to be given any false information in reports, records, or
23	documents required by the department under this chapter.
24	149-R:8 Biennial Report. The department shall submit a biennial report commencing on
25	October 1, 2022 to the governor and council, the speaker of the house of representatives, and the
26	president of the senate, relative to the activities and finances of the solid waste management fund.
27	2 Administration and Enforcement of Solid Waste Management Fund. Amend RSA 149-M:6, XI
28	to read as follows:
29	XI. [Assess-a surcharge on the disposal of out-of-state solid waste-in-the-amount of \$1 per
30	ton, which shall be assessed against the person transporting the out-of-state-solid-waste to the
31	facility and not assessed against the facility. The surcharge shall be assessed and collected only with
32	respect to the first point of disposal, processing, or treatment within this state. The proceeds-shall
33	be used-by-the department to reduce and offset general fund expenditures-for-solid waste
34	management.] Administer and enforce the provisions of RSA 149-R.
35	3 New Subparagraph; New Hampshire Solid Waste Management Fund. Amend RSA 6:12, I(b)
36	by inserting after subparagraph (358) the following new subparagraph:

1

Amendment to SB 629-FN - Page 4 -

1 (359) Moneys deposited in the New Hampshire solid waste management fund 2 established in RSA 149-R:3.

3 4 Repeal. RSA 149-M:7, VII, relative to rulemaking relative to the out-of-state waste disposal

4 surcharge, is repealed.

5 5 Effective Date. This act shall take effect July 1, 2020.

Amendment to SB 629-FN - Page 5 -

2020-1055s

AMENDED ANALYSIS

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This bill:

I. Establishes the solid waste management fund.

II. Establishes a solid waste disposal surcharge.

III. Repeals the existing surcharge on out-of-state waste.

Committee Minutes

SENATE CALENDAR NOTICE Energy and Natural Resources

Sen Martha Fuller Clark, Chair Sen Dan Feltes, Vice Chair Sen David Watters, Member Sen Jeb Bradley, Member Sen Bob Giuda, Member

Date: January 29, 2020

HEARINGS Tuesday 02/04/2020 (Day) (Date) **Energy and Natural Resources** State House 103 9:00 a.m. (Name of Committee) (Place) (Time) 9:00 a.m. **SB 669** relative to authorization to grow industrial hemp. 9:15 a.m. **SB 728-FN** establishing the coastal program administered by the department of environmental services. 9:30 a.m. **SB 591** establishing a statewide solid waste disposal reduction goal. 9:45 a.m. SB 629-FN establishing the solid waste reduction management fund and establishing a solid waste disposal surcharge. 10:00 a.m. **SB 668-FN-A** establishing an offshore wind commission, establishing an office of offshore wind industry development in the department of business and economic affairs, and making an appropriation therefor. EXECUTIVE SESSION MAY FOLLOW Sponsors: **SB 669** Sen. Kahn Sen. Carson Sen. Watters Sen. Reagan Rep. Pearl Rep. A. Lekas **SB 728-FN** Sen. Watters Sen. Fuller Clark Sen. Bradley Sen. Morgan Sen. Sherman Rep. K. Murray Rep. Cushing Rep. Malloy **SB 591** Sen. Watters Sen. Fuller Clark Sen. Rosenwald Sen. Dietsch Sen, D'Allesandro Sen. Chandley Sen. Hennessey Sen. Morgan Sen. Levesque Sen. Kahn Sen. Bradley Rep. Ebei Rep. O'Connor Rep. Wolf Rep. M. Murray **SB 629-FN** Sen. Watters Sen. Birdsell Sen. Fuller Clark Sen. Kahn Rep. Wolf Rep. Ebel Rep. O'Connor Rep. M. Murray **SB 668-FN-A** Sen. Watters Sen. Rosenwald Sen. Feltes Sen. Levesque Sen. Cavanaugh ' Sen. Fuller Clark Sen. Hennessey Sen. Morgan Sen. Gray Sen. Bradley Sen. Sherman Sen. Kahn Rep. Backus Rep. Cushing

Griffin Roberge 271-7875

<u>Martha Fuller Clark</u> Chairman

Senate Energy and Natural Resources Committee Griffin Roberge 271-7875

B 629-FN, establishing the solid waste reduction management fund and establishing a solid waste disposal surcharge.

Hearing Date: February 4, 2020.

Time Opened:11:05 a.m.Time Closed:12:03 p.m.

Members of the Committee Present: Senators Fuller Clark, Feltes, Watters, Bradley and Giuda.

Members of the Committee Absent: None.

Bill Analysis: This bill:

I. Establishes the solid waste reduction management fund.

II. Establishes a solid waste disposal surcharge.

III. Repeals the existing surcharge on out-of-state waste.

Sponsors:

Sen. Watters Sen. Kahn Rep. M. Murray Sen. Birdsell Rep. Ebel Rep. Wolf Sen. Fuller Clark Rep. O'Connor

Who supports the bill: Senator Martha Fuller Clark (NH Senate District 21), Joseph Kwasnik, Senator Jay Kahn (NH Senate District 10), Senator Regina Birdsell (NH Senate District 19), Senator David Watters (NH Senate District 4), Cordell Johnston (NH Municipal Association), Representative Karen Ebel (Merrimack - District 5), Tom Irwin (Conservation Law Foundation -NH), Donna Reardon, Representative Megan Murray (Hillsborough - District 22), John Tuthill (Acworth, NH), Katie Lajoie (Charlestown, NH).

Who opposes the bill: David Creer (Business & Industry Association), Barry Normandeau (Normandeau Trucking, Inc.), Alvin See (Loudon, NH), Steven Poggi (Waste Management, Inc.), Peter & Stanley Emanuel (Zero Waste & Recycling Service, Inc.), Rick Belanger, Martin O'Brien.

Who is neutral on the bill: Reagan Bissonnette (Northeast Resource Recovery Association), Michael Nork & Michael Wimsatt (NHDES), John Gay (Casella Waste Systems, Inc.).

Summary of testimony presented in support:

Senator David Watters NH Senate District 4

- SB 629-FN was a result of the Committee to Study Recycling Streams and Solid Waste Management in New Hampshire created via HB 617 (2019) (HB 617 Study Committee). Senator Watters referenced the HB 617 Study Committee's final report and noted recommendations 15 to 17.
- NHDES has an inability to conduct forward planning and help municipalities deal with solid waste disposal challenges due to a lack of funding.
- NHDES's Solid Waste Management Bureau (Bureau) used to have an active Planning and Community Assistance Section, which composed of five individuals who operated in a non-regulatory fashion and assisted municipalities with solid waste management issues and promoted recycling and composting. However, budget cuts over the years eliminated many of the Section's positions. Today, municipalities feel inhibited in what they can do as there is no state-level assistance to help them address solid waste management issues. The Northeast Resource Recovery Association (NRRA) and Waste Management, Inc. (WM) have tried to help municipalities, but more could be done.
- The HB 617 Study Committee heard in public testimony that most states impose disposal surcharges on solid waste disposed of in their state. While the specific uses of these dedicated funds vary, these funds tend to provide vital support to state government for its long-range planning, education, rulemaking, grantmaking, and technical assistance capabilities. NH stands alone by not charging a disposal surcharge. It is unlikely that the Bureau can be adequately funded with general funds to meet its statutory responsibilities. A dedicated fund financed by all who dispose of solid waste in our state, or some other source of funding, is necessary for the public health of our citizens.
- Opportunities exist in expanding the number of materials recovery facilities (MRFs) in NH. MRFs are solid
 waste management plants that process recyclable materials to sell to manufacturers as raw materials for new products. Public-private partnerships could be undertaken to expand existing MRFs or to create new ones.
- Introduced amendment 2020-0406s, which replaced the entirety of SB 629-FN as introduced. The amendment made some changes recommended by the NH Department of Environmental Services (NHDES).
 - Creates a Solid Waste Disposal Surcharge (surcharge). Any solid waste disposed of at a NH disposal facility, such as a landfill, incinerator, or waste-to-energy facility, shall be subject to a surcharge of \$1.50 per ton. The surcharges will be paid quarterly to NHDES by each disposal facility permit holder for the solid waste disposed at their facilities. While the disposal facilities are responsible for paying the surcharge, it is assumed the surcharge will be passed through to each facility's customers.
 Creates a non-lapsing, revolving New Hampshire Solid Waste Management Fund (Fund). The Func
 - will have several purposes and uses:
 - Support NHDES's administration and implementation of the state's solid waste technical assistance, planning, and regulatory and permitting activities, including waste reduction efforts, long-term waste management planning, education and outreach efforts.
 - Provide annual payments to NH municipalities to offset costs associated with the surcharges at the rate of \$1.50 per ton of solid waste for which the municipality was financially responsible for disposal at a NH disposal facility.
 - Provide matching grant funding to NH municipalities or private entities for projects that will
 provide a demonstrated, significant improvement in waste diversion methods and contribute
 to a reduction of waste requiring disposal, including a regional or municipal MRF.
 - Hire consultants, contractors, or to pay other necessary expenses directly associated with the activities of SB 629-FN's provisions.
 - Allows NHDES to initiate rulemaking to manage the recording, collection, and distribution of surcharges, as well as to administer matching grants.
 - Creates a NHDES biennial reporting requirement to detail the activities and finances of the Fund.
- NH's average disposal costs are between \$75-100 per ton, so the surcharge would amount to a small addition. Surcharges cannot be placed solely on out-of-state solid waste brought into NH due to Interstate Commerce Clause issues. SB 629-FN rebates the collected surcharges from municipalities back to municipalities to help advance their solid waste reduction efforts. The rest of the surcharge funding, mostly collected from out-of-state solid waste brought into NH, can help develop public-private partnership projects in NH, such as developing new MRFs.
- Senator Watters admitted there were arguments that SB 629-FN should be amended to ensure private entities in NH are also rebated back the surcharges they pay. Senator Watters was open to the concept.
- Senator Giuda asked what form the rebates would take.
 - Senator Watters said solid waste disposed of at a NH disposal facility would be subject to a surcharge of \$1.50 per ton. The surcharges would be paid quarterly by NH disposal facilities for solid waste disposed at each facility on forms and with supporting documentation as provided in NHDES's

rulemaking – such administration would not be difficult for disposal facilities as facilities already keep track of all solid waste received for accounting purposes. The surcharges would be placed into the Fund. Municipalities would be rebated \$1.50 per ton of solid waste that they disposed of at a NH disposal facility in the form of annual payments. Municipalities would use those rebates to advance solid waste reduction efforts.

Representative Karen Ebel – provided written testimony Merrimack – District 5

- The HB 617 Study Committee extensively examined solid waste challenges in NH through site visits and public testimony:
 - Municipalities are facing significant challenges with recycling and disposal costs. NH municipalities need state guidance and assistance in addressing their waste streams. Many municipalities such as Raymond are seeing significantly higher disposal costs over a short period of time. These costs are borne by local property taxpayers.
 - The Interstate Commerce Clause prevents states from prohibiting out-of-state solid waste. Local land use ordinances are preventing the creation of new landfills or the expansion of existing ones.
 - Based on NHDES's 2019 Biennial Solid Waste Report, NH's landfill capacity is rapidly declining. NH has not had a solid waste plan since 2003 due to budget reductions that have removed important Bureau staff positions.
- SB 629-FN can help revive Bureau positions, help craft a state solid waste plan, and provide important state guidance to NH municipalities. 35 other states have similar surcharges. Using the surcharge dollars to help advance waste reduction/recycling efforts could create jobs and benefit the economy. A failure to act will only lead to increased disposal costs that will harm local taxpayers, municipalities, and private businesses.

Cordell Johnston

Government Affairs Counsel, NH Municipal Association (NHMA)

- There are two different constitutional issues that SB 629-FN seeks to address:
 - Unfunded mandate: NHMA has always opposed a state tipping fee as it would likely constitute an unfunded mandate under the NH Constitution. SB 629-FN addresses that problem by rebating the collected surcharges back to NH municipalities.
 - Interstate Commerce Clause: Article 1, Section 8, Clause 3 of the US Constitution allocates power to Congress for regulating commerce among the states. Past suggestions to tax out-of-state waste being dumped in NH would violate the Interstate Commerce Clause. SB 629-FN works around this concern by charging all solid waste dumped at NH's disposal facilities.
- The NHMA is cautious in supporting SB 629-FN. While SB 629-FN rebates surcharge funds to municipalities, one legislature cannot bind a future legislature in potentially redirecting funding or raiding a dedicated fund. The NHMA would argue that any future removal of the rebate would constitute an unfunded mandate under the NH Constitution.
- The NHMA also noted a concern about rebating money to NH private entities, but not out-of-state private entities. Mr. Johnston argued that permitting rebates to private entities may revive the Interstate Commerce Clause issue.

Tom Irwin

Vice President, Conservation Law Foundation – New Hampshire (CLF)

- SB 629-FN will allow the state to accumulate the resources it needs to address NH's solid waste challenges.
- Referencing amendment 2020-0406s, Mr. Irwin said "reduction" should be inserted on page 2, line 5 between "waste" and "technical." Inserting this language would ensure that the Fund could be used to advance solid waste reduction technical assistance, not in the siting and expansion of NH disposal facilities.
- Alternate daily cover, or cover materials placed on the surface of the active face of a solid waste landfill at the end of each operating day to control vectors, fires, odors, blowing litter, etc., should not be exempted from the surcharge under SB 629-FN. There are contaminated soils being shipped to NH from Massachusetts that is used as alternate daily cover. There is no reason why that waste should not be subject to the surcharge.
- Reiterated concerns in expanding the rebates to private entities. Doing so would lessen the amount of dollars in the Fund and reduce the state's financial resources.
- Senator Watters referenced Mr. Irwin's suggested amendment. The word "reduction" was in and out in earlier versions of SB 629-FN. Senator Watters was convinced that removing "reduction" was needed, but he understood Mr. Irwin's point. Senator Watters also noted that Representative Ebel's HB 1702 (2020) would

create a solid waste working group to monitor solid waste management planning and could recommend statutory changes in the future, if needed.

Summary of testimony presented in opposition:

Steven J. Poggi - provided written testimony

Area Director, Disposal Operations, WM

- The proposed surcharge under SB 629-FN would be considered a tax under typical contract language and would be passed on directly to all municipal, commercial, and industrial waste generators that are customers of disposal facilities. While municipalities are reimbursed under SB 629-FN, there is no reimbursement for industrial or commercial waste generators. In many cases, over 50% of the total waste managed at disposal facilities are generated by industrial and commercial waste generators. The increased costs will have a negative impact on NH businesses.
- WM recommends that SB 629-FN be amended to provide, after reimbursement to NH municipalities, at least 50% of the funds resulting from the surcharge be made available to private NH businesses to advance recycling and waste reduction initiatives, while the other 50% be directed toward public entities and NHDES for technical assistance and regulatory activities.
- Materials used as alternate daily cover should not be subject to the surcharge. Such an exclusion should be noted in SB 629-FN. Not doing so may limit the ability to use alternate daily cover and result in clean soil taking up landfill capacity rather than beneficially using recycling residuals or impacted soils.
- The proposed surcharge in SB 629-FN would be collected starting July 1, 2021. WM requested that waste tracking begin on the same date and first payment to the state be required after September 30, 2021 for waste accepted during the third quarter of 2021.
- Senator Watters said it was his understanding that WM envisioned the surcharge rebates going to three parties NH municipalities, NHDES, and private entities. He asked if the rebates to private entities would be used solely for solid waste reduction.
 - Mr. Poggi said SB 629-FN provided rebates to municipalities and created the Fund for NHDES's solid waste technical assistance, but the bill did not offer any rebates to private entities that would also be affected. SB 629-FN does not limit the amount of funding that can be used for NHDES -- could the remaining balance be used to create more Bureau positions? WM is proposing that after NH municipalities are rebated, the remaining Fund balance be split between public and private entities.
- Senator Watters clarified that SB 629-FN is not meant to create additional bureaucracy at NHDES. He asked if WM thought it better to simply rebate the money to private entities, or rebate money to private entities with a requirement that it be used for solid waste reduction efforts.
 - Mr. Poggi said he expected the rebates to go back to private entities to reduce solid waste or promote recycling. Smaller companies have a greater financial risk if they are not given a rebate.
- Senator Bradley said he understood WM's argument that money be rebated back to private entities. He wondered if the rebates would turn into a shell game money goes in and money goes out, but there is no new money for waste reduction efforts.
 - Mr. Poggi said the risk is that smaller businesses would be put at greater financial risk by not getting reimbursed. The remaining dollars in the Fund would be used to offer matching grants to NH municipalities or private entities for waste reduction efforts.
- Senator Watters clarified that nearly two million tons of solid waste is disposed of in NH every year one million tons from in-state, and one million tons from out-of-state. No money would be rebated for out-of-state waste disposed of in NH, so that could potentially bring in \$1.5 million into the Fund to be used for waste reduction efforts.

Barry Normandeau

President, Normandeau Trucking

- Normandeau Trucking, located in Groveton, NH, hauls solid waste for many municipalities throughout northern New Hampshire.
- SB 629-FN sets a stacked deck against private entities as they are not rebated any of the surcharge. Many commercial and industrial waste generators have taken steps to reduce their solid waste. The \$1.50 surcharge could increase in the future and private entities will not derive any benefit from it.
- Governor Jeanne Shaheen created the Solid Waste Task Force (Task Force) pursuant to Executive Order 1999-06. The Task Force's final report was released on July 16, 2001. Mr. Normandeau served on the Task Force and noted that a solid waste disposal surcharge was not well received.

Neutral Information Presented:

leagan Bissonette – provided written testimony

Executive Director, Northeast Resource Recovery Association (NRRA)

- NRRA is a nonprofit that enables communities to manage their own recycling programs by helping negotiate competitive pricing from companies who purchase recyclables and help members sell their recyclables to those companies and providing education and technical assistance to members in the areas of recycling and waste reduction.
- Recycling markets have undergone a dramatic change in recent years that many communities are facing increased costs for their recycling programs, decreased revenue, or both. The Northeast has the highest cost of disposal for municipal solid waste in the US because the region has the least amount of landfill capacity. Municipalities need technical assistance with their waste reduction efforts to avoid these high costs.
- The Bureau has limited resources to provide technical assistance, leading NHDES to refer municipalities to the NRRA for assistance. Many neighboring states have state agencies that provide technical assistance to municipalities. SB 629-FN would allow NHDES to provide technical assistance to municipalities on waste reduction, as well as offer grant opportunities to advance waste reduction efforts.

Michael Wimsatt & Michael Nork – provided written testimony Solid Waste Division, NHDES

- NHDES supports the intent of SB 629-FN.
- For the better part of two decades, NHDES's solid waste management program has suffered resource deficiencies that have curtailed the agency's ability to fulfill its statutory obligations, such as the state's solid waste management plan, revising administrative rules for composting facilities, and provide public outreach and assistance relative to recycling, waste reduction, and diversion. Because the state's solid waste program is funded solely be general funds, the Bureau's positions were eliminated due to budget constraints over time.
- NH lags other states in supporting and advancing diversion activities. Neighboring states have made significant progress in offering grants and technical assistance.
- The HB 617 Study Committee identified many solid waste management issues. NHDES's solid waste program is not equipped to properly address all the issues. SB 629-FN would create dedicated resources to incentivize recycling and waste reduction efforts in NH.
- Mr. Wimsatt welcomed Mr. Poggi's feedback about including private entities in SB 629-FN. Mr. Wimsatt noted that the program may have the potential to promote recycling or solid waste reduction proposals at larger manufacturers in the state by offering grants to them. SB 629-FN could be amended to make it clearer that private businesses could apply for grants.
- Mr. Wimsatt also referenced SB 629-FN's fiscal note that assumed materials used as alternate daily cover would not be subject to the surcharge. NHDES would be open to making that concept clearer in SB 629-FN.
- Other concerns raised about SB 629-FN can be worked out. NHDES stands willing to work with SB 629-FN's sponsors and various stakeholders to try and find agreement.

John Gay – provided written testimony

Regional Engineer, Casella Waste Systems, Inc.

- Casella is neutral on SB 629-FN, with a slight leaning toward favoring the bill.
- While SB 629-FN creates a mechanism to reimburse NH municipalities, it does not create a mechanism for NH citizens or businesses whose waste disposal is not managed through a municipality. Private individuals and customers will see a disparate impact under SB 629-FN as compared to municipal customers.
- Municipalities are abandoning their recycling programs at an alarming rate due to transportation costs, much of which can be controlled by an investment in processing infrastructure like MRFs in NH.

GJR

Date Hearing Report completed: February 4, 2020.

Speakers

Senate Energy & Natural Resources Committee SIGN-IN SHEET

Date: Tuesday, February 4, 2020 Time: 9:45 a.m.

SB 629-FN AN ACT establishing the solid waste reduction management fund and establishing a solid waste disposal surcharge.

Name/Representing (please print neatly)

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Senate Energy & Natural Resources Committee SIGN-IN SHEET

Date: Tuesday, February 4, 2020 Time: 9:45 a.m.

SB 629-FN AN ACT establishing the solid waste reduction management fund and establishing a solid waste disposal surcharge.

Name/Representing (please print neatly)

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Testimony



WASTE MANAGEMENT OF NH. Inc. Turnkey Recycling and Environmental Enterprise 30 Rochester Neck Road Rochester, NH 03879

February 3, 2020

Senator Martha Fuller Clark, Chair Senate Energy and Natural Resources Committee State House, Room 103 Concord NH 03301

Re: Comments on SB 629 – Establishing the solid waste reduction management fund and establishing a solid waste disposal surcharge

Dear Chairwoman Clark:

Waste Management is the leading provider of comprehensive waste management service in North America. In New Hampshire, we operate the Turnkey Recycling and Environmental Enterprise (TREE) facility as well as four transfer stations in addition to operating a fleet of over 200 waste and recycling collection vehicles. It is estimated that our company currently manages in some aspect, approximately 4 out of every 10 tons of waste generated in the State. Our activities in the State and our broad experience gives us a unique and valuable perspective on the practical realities of solid waste management and facility design and operation in New Hampshire.

This letter is provided to offer comments on behalf of the Company expressing our concerns with Senate Bill 629. This legislation is one of several bills to come out of the tremendous work completed last year by the Recycling and Solid Waste Management in NH Study Committee, Chaired by Representative Karen Ebel. Waste Management participated in the work of the Study Committee, testifying during the public hearing as well as hosting the Committee for tours of our Billerica, MA Material Recovery Facility (MRF) and our TREE facility in Rochester, NH. During our conversations with the Study Committee, we discussed numerous topics including how international policy changes have had a dramatic, negative impact on the economics of recycling, not just in New Hampshire, but across the country.

It is with this background, as well as the new market reality that we express concern with the State assessing a disposal fee at this time. This new fee would be considered a tax under typical contract language and would be passed on directly to all municipal, commercial, and industrial waste generators that are customers of disposal facilities. The bill provides a mechanism for municipalities to be reimbursed for this new tax, but there is no such reimbursement available for commercial and industrial waste generators. In many cases well over 50% of the total waste managed by disposal facilities are generated by the commercial and industrial waste generators. These increased costs will have a negative impact on New Hampshire businesses.

In light of this, it is strongly recommended that the bill be amended to provide at least 50% of the funds resulting from a solid waste tax, after reimbursement to NH municipalities, be made available to NH businesses to advance recycling and waste reduction initiatives. This would make funding available for businesses in the form of grants approved by the NHDES to implement programs that will increase recycling or to help reduce waste generation.

While the intent of the bill is to benefit recycling and waste diversion in NH, it is unclear if its implementation as currently written would be effective. Should the legislature choose to adopt this new surcharge, Waste Management requests and would support an amendment to the bill that after NH municipalities are reimbursed for payment into the fund, no more that 50% of the funds be directed towards public entities and the NH DES for technical assistance and regulatory activities and the remaining 50% of the funds would be directed to provide grants or other assistance to private entities and businesses to improve recycling and waste diversion.

Additionally, in the case of landfills, materials used as alternative daily cover should not be subject to the surcharge. This exclusion is called out in the Fiscal Note prepared for this bill (see the first bullet on the second page of the Fiscal Note) and should be identified in the bill. Not doing so would likely limit the ability to use alternative daily cover and result in clean soil taking up landfill capacity rather than beneficially using recycling residuals or impacted soils for alternative daily cover.

Finally, the bill indicates that it would be effective starting after July 1, 2021 and it would require payments starting on that date (see page 2 line 16). To provide clarification it is requested that waste tracking begin on July 1, 2021 and the first payment to the State is required after September $\frac{2}{30}$, 2021 for waste accepted during the third quarter of 2021.

We appreciate the opportunity to provide you with our comments on this very important matter and welcome the opportunity to meet with you to discuss these comments further. Waste Management acknowledges the challenges identified by the Study Committee and we stand ready to work with all interested parties to the benefit New Hampshire residents and businesses.

Sincerely, WASEE MANAGEMENT OF NEW HAMPSHIRE, INC.

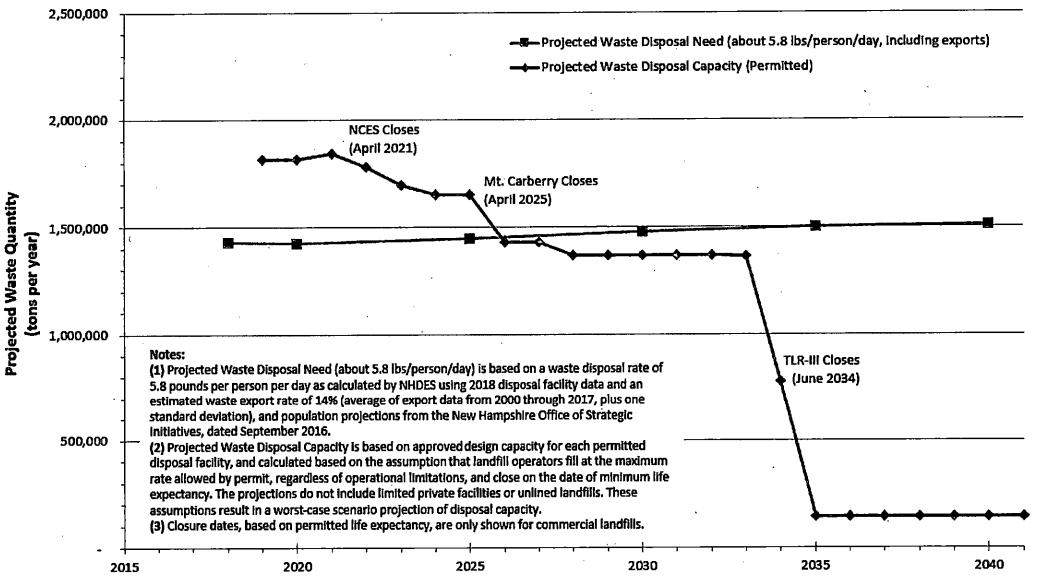
Steven J. Poggj

Area Director Disposal Operations

cc Senator Dan Feltes, Vice Chairman Senator Jeb Bradley Senator David Watters Senator Bob Giuda

NH Projected Waste Disposal Need and Capacity (2020 - 2040)

Source: NHDES 2019 Biennial Solid Waste Report



Year

Solid Waste Disposed of in NH's Primary Disposal Facilities 2015 through 2018

Year	In-State	Out-of-State	% In-State	Est. Remaining Ca	apacity_
	tons	tons	%	Cubic Yards	Years
	La	Indfills - Unlimite	ed Service Area		
North Country E	nvironmental Ser	vices (NCES)			
Bethlehem, NH	·		ted life expectance	y through at least A	pril 2021
2015	242,924	101,164	71%	-	
2016	251,699	181,307	58%	1,335,000	4.3
2017	237,853	134,075	64%	916,000	3.3
2018	231,515	120,770	66%	599,000	2.0
	isposal Facility (al		ment. Turnkev)		
Rochester, NH	····, (y through at least Ju	une 2034
2015	392,362	703,961	36%		-
2016	392,460	698,250	36%	9,494,000	7.3
2017	569,329	845,339		8,134,000	6.3
2018	569,558	918,798		6,987,000	5.4
Mt. Carberry La				<u> </u>	
Success, NH	<i>,</i>	Perm	itted life expectar	icy through a least A	oril 2025
2015	120,447	95,680	56%		-
2016	148,466	96,023	61%	2,184,000	7.1
2017	138,129	93,621		1,928,000	6.3
2018	145,222	90,209		1,673,000	5.7 [.]
	- Unlimited Servi		02/0	2,070,000	
2015	755,733	900,805	46%	· · _)	-
2016	792,624	975,580		13,013,000	-
2017	945,311	1,073,035		10,978,000	-
2018	946,295	1,129,777		9,259,000	
2010		Landfills - Limite			_
lower Mount M	Vashington Valley				
Conway, NH	vasining cont valley	Secure Solid 444		um permitted life ex	nectancy
2015	2,290	0	100%		pectane;
2015	2,290	0		262,000	20
2010	2,302			249,000	19
2017	2,420	0	100%	238,000	15
	nal Solid Waste Fa		100%	238,000	10
Lebanon, NH		-	No minim	um permitted life ex	nectance
2015	31,150	12,031			pectane
2015	29,007	11,547	4	1,128,000	13
2010	23,007	11,347		850,000	10
2017	27,318 28,394			810,000	9
	e Landfill Expansi		/1/0	610,000	5
			ttad life evpector	cy through at least A	unril 202
Nashua, NH 2015	68,129	1		li lindugi a <u>t</u> least P	φη η 202.
				794,116	9
2016	68,471			687,054	9 7
2017	75,579			553,172	4.5
2018 Total /I and fills	76,971	-			4.5
	- Limited Service	T	89%		
2015	101,569		- ··	2404445	
2016	99,780			2,184,116	<u> </u>
2017	105,523		· · · · · · · · · · · · · · · · · · ·	1,786,054	-
2018	107,851	11,625	90%	1,601,172	-

Solid Waste Disposed of in NH's Primary Disposal Facilities 2015 through 2018

Year	In-State	Out-of-State	% In-State	Est. Remaining	Capacity
	tons	tons	. %	Cubic Yards	Years
-	Inci	nerators - Unlimi	ited Service Area	1	
Wheelabra	tor Claremont				-
Clarémont,	NH				
2015	* stopped operat	ting on 9/29/2013	3		
2016	* stopped operat	ting on 9/29/2013	3		
2017	* stopped operat	ting on 9/29/2013	3		
2018	* stopped operat	ting on 9/29/201	3	· .	
Wheelabra	tor Concord			•	•
Penacook, 1	NH		•. ·		· .
2015	195,828	7,595	96%	· .	
2016	189,734	. 7,391	96%	· ·	
2017	174,531	20,233	90%		
2018	174,673	18,656	90%		
Total (All Disposal Facil: Lar	ndfills & Incinerat	tors - Unlimited	& Limited Service A	reas)
2015 — —		920,431	53%		
2016	1,082,138	994,518	52%	- · · · · · · · · · · · · · · · · · · ·	
2017	1,225,366	1,104,580	53%	· .	
2018	1,228,819	1,160,058	51%		

Notes:

1. All data from annual facility reports submitted to NHDES-SWMB. Some estimated remaining capacities noted herein may not include approved additional capacity.

2. Alternate Daily Cover (ADC) is not included in any of the amounts presented in this table.

3. WMNH-Turnkey expansion was approved on 6/11/2018 for an additional 15.9 million cubic yards; life expectancy through 2034.

4. Mt. Carberry reports additional remaining capacity for conceptual expansion (Phase III) of about 7,718,000 cubic yards or 32 years.

5. Mt. Carberry expansion application approved February 2019; about 2 years additional capacity to 2025.

6. Expansion application under review for NCES; application requests approximately 2 additional years of capacity.

7. Boscawen Corn Hill Road C&D Landfill and Epping Bulky Waste Disposal Area not included (small amounts relative to facilities included; operations expected to cease by 2025)

8. Merrimack Station Coal Ash Landfill, located in Bow, NH, not included (small amounts relative to facilities included; limited private facility)

9. Bridgewater incinerator not included (small amounts relative to facilities included).

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•	• • •	••••		•	• •	••	·	.**:		•	•	•• ••	•••
Sc	blid	Waste	Di	spo	osal a	ind	Ò	pera	ting	g Fees i	n U	.S. St	ates
		10Ja	·	12	· .				<u>, ; ;</u>				

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		Allabama	\$1 00	Fee for all waste disposed in landfills
	2	Alaska	Varies	The department charges the facilities for its actual cost of reviewing, inspections, compliance etc. This funds about 20% of their program.
			-\$1.250-\$12,500\$yr	- Range of annual fees for landfills depending on size
	3	Arizona	- <u>S122/</u> hr - <u>S4.50/ton</u>	- Hourly plan review fee
				These fees are proposed as the result of recent
			= \$1,50/ton	- To be paid by a landfill operator or an out-of- state transporter
	4	Arkansas	- \$1.00/ton	- To be paid by landfill operator for the state Post-Closure Trust Fund
			= \$0.50/ton	- For private industry landfills
	5	California	\$1.40	Disposal fee at landfills. There are also fees on tires, used oil and electronics.
 :			an a	According to the information compiled by the State of Missouri
			\$0_13/cy	- Charged for waste disposal
i.				
	6	Colorado	<u>(\$125/h</u> r	- Hourly review fee
			(\$1,000)	- Annual fee for facilities not subject to disposa fee
	7	Connecticut	- \$1:50/ton	- For waste disposed at WTE facilities (Connecticut has no landfills) - Range of annual fees depending on the type o
•			- \$400 <i>i</i> -\$2,750/yr	facility
:	· · · · · · · · · · · · · · · · · · ·	Delaware	\$84/ton	Tipping fee at the state owned landfills
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1 d a	SI/ea	Purchase fee for every tire sold in-state, which funds entire SW program and then some.
Georgia	\$0.757ton	For disposal of MSW and C&D
11 Hawali	\$0.35/ton	Disposal fee According to the information compiled by the State of Missouri
12 Idaho	No operating or disposal fee	
13 Illinois	- \$2.00/ton	- Fees charged at landfills receiving over 150,000 tpy - Range of annual fees for other landfills
E3	- \$1,050 -\$52,630/yr	depending on size According to the information compiled by the State of Missouri
14 Indiana	- \$0.05 - \$0.10/ton - \$500 - \$35,000/yr	 Disposal fee at incinerators and landfills respectively Range of annual fees depending on facility type and size.
15 Iowa	\$4.75/ton	- Disposal fee that is reduced depending on how much waste diversion occurs in a planning area. According to the information compiled by the State of Missouri
16 Kansas	- \$1/ton - \$125 - \$5,000/yr	- For waste disposal - Annual renewal fee depending on type of facility
17	\$500 - \$7,500/yr	Range of annual fees depending on facility type and size
18 Louisiana	- \$7,920 + \$0.75/ton - \$1,980 + \$0.20/ton	 Annual fee and disposal fee at industrial solid waste landfills Annual fee and disposal fee, exceeding 75k tons at non-industrial solid waste landfills
	- \$660 + \$0:20/ton - 25% of base fee	- Annual fee and disposal fee at C&D landfills - For all landfills in post-closure
	=\$1/ton=\$25/ton	- Various fees on defined "special wastes" disposed at landfills

]9	Maine	-S14B-S12,805%r	 Fee on each tire and battery sold in state Range of yearly licensing fees depending on facility type and activity
20	Manyland	\$2/ton	Paid by generators of coal ash
21	Massachusetts	^\$865 - \$14,240/yr	Yearly fees within this range depending on what type of facility it is
22	Michigan	- \$0:75/ton	- To fund a perpetual care fund established by the landfill operator, capped at \$1,156,000
:		- \$0.36/cy	- Surcharge for solid waste disposed of at landfills
		-9.75%	- Tax imposed on mixed MSW services by a residential generator
23	Minnesota	-17%	- Tax imposed on mixed MSW services by a commercial generator
		- \$2/ton	- Tax on the management of unmixed solid waste
		· 	This appears to work like a sales tax.
24	Mississippi	\$1,00	Disposal fee According to the information compiled by the
<u> </u>		- \$2.11/ton	State of Missouri - Fee for landfills and transfer stations shipping waste out of state
25	Missouri	- \$1.40/ton	- C&D landfills
	111112051244	- \$2.00/ton	- Fee on infectious waste
		-ÏQ%	- Of charge for infectious waste management when waste is shipped more than 300 mi.
Ċ.	ne se	- \$0.40/ton	- For disposal of waste at landfills and incinerators
26	Montana	-\$0 - \$4,200/yr	- Range of annual fees depending on facility type and size
		-\$1125/ton,-	- For landfill disposal in-state or disposal out-of- state from a processing facility
.27	Nebraska	- \$500=(\$7,500/yr.	- Range of yearly operating fees depending on type of facility

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28	Nevada	SI/ea	Fee on each tire sold in state
29	New Hampshire	No operating or disposal fee	
30	New Jersey	- \$6,006/yr - \$540 - \$13,695/yr	 Yearly registration fee charged to all facilities Range of annual compliance service monitoring service fee Hourly fee that the state may charge for
31	New Mexico	No operating or disposal fee	According to the information compiled by the State of Missouri
32	New York	No operating or disposal fee	
39	North Carolina	- \$2/100 - \$2/100	- Landfill disposal fee - Waste transfer fee assessed at transfer stations
-34	North Dakota	Varies	Large industrial and ash landfills are charged for the cost of an on-site inspector. The fees are renegotiated every year.
35	Chio	\$5Aon	The sum of four different fees to be paid for transfer or disposal of solid waste. <i>Note: fees are not charged twice for waste staying in state</i>
36	Oklahoma	S1.50 200	\$0.25 - \$0.50 of that fee is retained by the operator to pay for projects required by the SW program.
37	Oregon	= SO.S14ion = = S200/yr = S0.13 = <u>S0.214ion</u>	Disposal fee Compliance fee for facilities receiving less than 1000 tpy Compliance fee for other solid waste facilities
		C.002123 d.0072141011	According to the information compiled by the State of Missouri
38	Remsylvanfa	\$6.25/ton	The sum of three different fees for disposal at landfills and WTE facilities

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39	Rhode Island	No operating or disposal fee	According to the information compiled by the State of Missouri
40	South Carolina		Advanced recycling fees on white goods, tires batteries and oil
41	South Dakota	Sil/ton	For disposal at landfills
42	Temessee	\$1.25/ton	Disposal fee at lined landfills According to the information compiled by the State of Missouri
43	Texas	\$1.25% ton	Fee on waste disposed at landfills
44	Utah Haring	-\$0,13 =\$2,50/ton	 Range of disposal fees for wastes disposed a commercial landfills Range of annual fees charged at municipal landfills depending on size
45	- Vermont	- = <u>SO</u> /ton - <u>SO</u> /757/ton	 For disposal in landfills or incinerators whether in-state or out-of state Based on permitted capacity, not applied to municipal facilities or recyclables
		e-\$0,1115/ton	- Landfill disposal fee
46	Virginia	= \$0 055/toni	- WTE disposal fee
			- Range of annual fees assessed at other facilities depending on facility type
47	Washington	No operating or disposal fee	According to the information compiled by the State of Missouri
43	West Virginia	\$8.7/5/ton	For waste disposed of at landfills
49	Wisconsin	⇔\$13/ton	- The sum of four different fees for disposal of solid waste in landfills. Note: Wisconsin's fee schedule is fairly complex. This represents approximately what a typical MSW landfill would pay.
50	Wyoming	No operating or disposal fee	

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COLOR KEY: = per ton tipping fee = special waste tipping fees XXX = unclear / other

It appears that 35 states have a per ton disposal fee



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Remarks to the Committee to Study Recycling Streams and Solid Waste Management in New Hampshire

Lynn Rubinstein, Executive Director, Northeast Recycling Council, Inc. (NERC) October 7, 2019

The Northeast Recycling Council, Inc. (NERC) is a multi-state non-profit (501(c)(3)) organization committed to environmental and economic sustainability through responsible materials management. Our programs emphasize source reduction, reuse, recycling, organics management, environmentally preferable purchasing (EPP), and decreasing the toxicity of the solid waste stream in the 11-state region comprised of New England, Delaware, Maryland, New Jersey, New York, and Pennsylvania. Our voting members include state agencies and solid waste authorities. We also welcome Advisory Members. Currently, more than 70 trade associations, MRF operators, haulers, equipment manufacturers, state recycling associations, consulting firms, regional recycling authorities, and brand owners support NERC through Advisory Memberships

Jur mission is to minimize waste, conserve natural resources, and advance a sustainable economy through Jucilitated collaboration and action.

Through our work to improve the quality and quantity of materials recycled in the region, as well as supporting and promoting recycling market development, NERC has developed a unique perspective and knowledge-base about recycling market dynamics and how that effects community recycling efforts.

Recycling Markets

While the value of the materials collected in residential recycling programs has decreased since the implementation of the so-called "China National Sword", this region is faring better than almost anywhere else in the country. The reason we are doing better than much of the country is because the eastern seaboard has never been as reliant on overseas exports for recycling markets as other parts of the country.

A recent study completed by NERC surveyed 15 publicly-operated MRFs in 10 states (not including New Hampshire as there aren't any publicly operated MRFs). The results of this unique study were eye opening, especially when compared to national data.

The survey covered the period of April 1 – June 30, 2019. The participant MRFs included single stream, dual stream, and source separated operations. We will be repeating the survey on a quarterly basis.

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NERC is an equal opporunity employer and provider.

We learned that in the 10-state region the:

- Average value/ton¹ with residuals: \$45.83
- Average value/ton without residuals: \$51.65
- Average processing cost per ton: \$82
- Average residual rate²: 12%
- Average gate recycling tipping fee/ton:
 - \$38 for municipal (municipal with contracts)
 - \$48 for commercial or municipal without contracts

These figures become most interesting when compared to national information. The most recent national data is from March of this year³. We know for certain that the value of commodities has decreased between March and June, so the average figure in our region is at a time when the average value nationally had declined. The national figure, with residuals, was \$38.18/ton – 20% less than the value of a MRF ton in the Northeast.

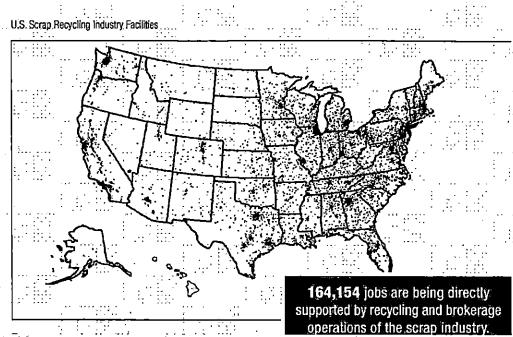
In addition, while we found that the average cost to process one ton of residential recycling materials received at a MRF was \$82/ton for the period April – June 2019, in 2018 the average national figure was just under \$10/ton. The difference is the extra costs that MRFs are incurring to improve the quality of what comes out of the MRF. When China tightened the standards for the quality of a bale – meaning how little unwanted material it would accept – all other markets (domestic and international) took advantage of this and also increased their requirements. This has led to increased costs (and losses) for MRFs, which have been passed on to communities.

It is also interesting to note that the \$38/ton tipping fee for recyclables is both a new phenomenon, and is almost the exact difference between the value of a ton and the cost to process a ton-bringing the MRF to a cost neutral point. I often hear that MRFs are taking advantage of communities, or overcharging them, and while there may be instances of this happening, the results of our study indicate that MRFs have found a formula to stay afloat until both the quality of what is received from residential programs improves, and the value of these commodities increases.

There is a vibrant recycling industry in the United States and it has the capacity to use the materials currently being collected – when the quality is good enough. In fact, in most instances, the recycling companies are operating below their capacity due to the lack of volume collected in recycling programs, and the poor quality of that material.

¹ We collected the average value (or loss) for the period April 1 – June 30, 2019 for the following materials: UBC (aluminum cans); steel food cans; PET (plastic #1); HDPE natural (plastic #2); HDPE colored (plastic #2); polypropylene (plastic #5); #'s 3-7 plastics; bulky rigid plastics; OCC grade #11 (corrugated cardboard); mixed paper grade #54; aseptic and gable-top cartons (grade #52); clear glass containers; green glass containers; brown glass containers; 3 mix glass containers; and residue.

 ² Residuals are what is left over (trash) after the MRF finishes processing a ton of materials brought to the facility for recycling.
 ³ Provided by Resource Recycling Systems (RRS)



Source: 2019 Economic Impact Study, U.S.-Based Scrap Recycling Industry, Institute of Scrap Recycling Industries (ISRI).

Changes & Status of the Recycling Industry

Paper_.

Almost as soon as the impacts of the change in China's policies began to be felt, announcements began about investment in new or expanded residential mixed paper and cardboard recycling operations. To date, there ave been 17 announcements, with one new mill having opened in Ohio just last week. Ultimately, if all of

. nese projects bear fruit, there will be more capacity available for mixed paper and cardboard recycling than we collect in the U.S. We will see increased value for mixed paper and cardboard as a result.

Location	Gompany	Gapacity	Opening
Rumford, Maine	Nine Dragons	400,000 TPY pulp	2020
Fairmont, West Virginia	Nine Dragons	220,000++ MTPY	, 2019
Hanover, Virginia	Cascades	400,000 MTPY	1st guarter 2021
Albany, New York	CorrVentures	300,000 TPY	4th quarter 2021

On the east coast, the following mills are anticipated.

Whether and when they will open remains uncertain, as is often the case with new business ventures. In particular, the two Nine Dragons facilities – Chinese owned ventures to produce pulp for export to China – may be delayed as the tariff war is having its impact on paper recycling. Currently, there is a \$40/ton tariff for exporting paper or pulp to China.

Plastic

There have also been many announcements about new investments in plastic recycling ventures, but that Information is not as transparent as the information for paper so there is little information to share.

Glass

As you will have heard from Reagan Bissonnette, NRRA, there are end markets for glass when the material can be properly separated and cleaned. In addition to the great work that NRRA has done, NERC has had a glass recycling markets committee for two years and it has identified and worked with a number of glass recyclers in the region. In the 11-state NERC region there are 15 companies directly involved with residential glass recycling; including PGA, bottle to bottle, construction, infrastructure, fiberglass, and highway applications.

Container deposit laws can be particularly effective for helping glass recycling. As you may have heard from other speakers, glass containers cause significant problems for single stream MRFs – both in operations, and in either lowering the value of paper commodities or rendering them not recyclable at all. Container deposit laws result in a "clean", readily marketable and recyclable glass commodity; this cannot be achieved with any other system – apart from source separated recycling.⁴ The topic of container deposit laws relative to plastic and aluminum is not as straightforward, and the arguments in favor would not be the same as for glass.

It is important, of course, that any container deposit law adequately reimburse the intermediaries that make the program work – such as retailers accepting the material, transportation, and processing. Container deposit laws that charge a nickel are inadequate to fund this type of program.

Quality & Quantity of Materials Collected through Residential Recycling Programs Connecticut, Rhode Island, Maine, New York, and Vermont have invested heavily in statewide education about recycling – both to increase the volume as well as the quality. Maine and New York's programs are new, but the others are several years old and have definitely had a positive impact.

Vermont passed an aggressive, comprehensive recycling law several years ago (Act 148) that has dramatically changed the recycling landscape in that state. It has included grants to communities as well as mandates for recycling education, programming, and materials handled in programs.

Quality

Perhaps the most important lesson the U.S. has learned as a result of the loss of the Chinese end-markets is the critical importance of the quality of what is collected in residential recycling programs. There is a direct economic relationship between "what" MRFs receive from the public and how much it will cost them to process it, as well as the value of the materials it will then sell.

The Recycling Partnership (<u>http://recyclingpartnership.org</u>), a national non-profit organization, has developed very successful, extensive program and resources for communities to help improve the quality of what is collected. These resources are available for free and as open source documents.

Nationally, Massachusetts has taken a leadership role in promoting and implementing The Recycling Partnership program, including developing its own branded version: Recycle Smart (<u>https://www.recyclesmartma.org</u>). The Massachusetts Department of Environmental Protection offers a grant program for communities to work on contamination that includes minimum requirements based on The Recycling Partnership model, and launched the Recycle Smart statewide education campaign with free resources and technical assistance. As a result, the overall contamination rate in Massachusetts has dropped significantly, and in many areas MRFs no longer consider contamination to be an active concern.

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⁴ Glass containers put in designated recycling containers and not commingled with any other material.

Another strategy that states are using to drive improvements in the quality of recycling is to work collaboratively with the MRFs to agree to a list of acceptable and non-acceptable materials. The first initiative of this sort in the country came from Connecticut – the What's IN What's OUT program "Ittps://www.recyclect.com/).

Massachusetts has also developed a list of acceptable recyclables, but it is not as straightforward as Connecticut's approach.

Several states in our region have substantive statewide messaging and promotion programs supporting recycling – both the quality and quantity. These include:

- Massachusetts Recycle Smart (focused on quality only)
- Rhode Island Uses the Recycle Across America platform (www.recycleacrossamerica.org)
- Vermont Universal Recycling and Composting Initiative

Finally, in several cases, communities have been able to convince the haulers/MRFs that they would put money and serious effort into education and fighting contamination and this has had success. The result has been decreased contamination and lowered price impacts to the community.

Quantity

Much attention has shifted to quality since the Chinese Sword, but quantity remains critical for the economic viability of MRFs, recycling market development and job growth, as well as the original goal of recycling – resource conservation.

Several states in the region have disposal bans and/or mandatory recycling for select materials. These are niversally recognized as having dramatic benefits for the volume of material collected, as well as being an nportant buffer against program changes. In praticular disposal bans, prevent materials normally recycled from being dropped from programs or by MRFs when the cost structure becomes challenging. Most states have unfunded mandate laws, and the disposal bans and mandatory recycling skirt this by not being enforced on individuals – rather on the haulers and MRFs. Having said that, public education from the state and community about what to recycle – as noted above – is an essential companion to success.

Several states in the region have disposal bans that have succeeded in preventing community recycling programs from folding. Costs have certainly gone up and this is an active concern.

Following is a summary of the disposal bans and mandatory recycling laws, regulations, and policies in New England.

State	Banned from Disposal	Mandatory Recycling
Connecticut	 Computers, monitors, TVs, printers Lead acid & NiCad batteries Mercury containing products Paint Tires Waste oil Yard waste 	 Aluminum & tin food & beverage containers Computers, monitors, TVs, printers Food scraps (for some commercial generators) Glass & plastic (# 1 & 2) food & beverage containers Grass clippings Lead acid & NiCad batteries Newspapers Recyclable paper Scrap metal Steel Waste oil White goods
Maine	 Computers, CRTs, & cellphones Lead acid, mercuric, & NiCad batteries Mercury containg products Tires Waste oil Yard waste 	 Yard waste Computers, CRTs, & cellphones Corrugated & high grade office paper Glass food & beverage containers Lead acid, mercuric, & NiCad batteries Mercury containg products White goods Yard waste
Massachusetts	 C&D CRTs Food waste Glass, metal, and plastic food and beverage containers Lead acid & NiCad batteries Leaf & yard waste Recyclable paper Tires Wallboard White goods 	
New Hampshire	 Computers, monitors, VCRs, DVDs, DVRs, TVs Wet cell batteries Leaf & yard waste Mercury containing products Waste oil 	

State	Banned from Disposal	Mandatory Recycling
Rhode Island	 Computers, monitors, VCRs, DVDs, DVRs, TVs Lead acid & NiCad batteries Mercury containing products Waste oil 	 Aluminum & tin food & beverage containers Aseptic containers Corrugated cardboard Empty aerosol and paint cans Lead acid batteries Leaf and yard waste Glass and plastic food & beverage containers (#1 & 2) Recyclable paper Scrap metal Textiles Waste oil
Vermont	 Aluminum C&D Computers & peripherals, monitors, TVs & peripherals, printers, telephones, answering machines, stereos, PDAs, iPods, digital converter boxes, game consoles, fax machines, DVRs, DVDs, VCRs Food waste (coming soon) Glass, metal & plastic (#1 & 2) food & beverage containers Lead acid & NiCad batteries Mercury containing products Paint Recyclable paper Tires Wallboard White goods Yard waste 	 White goods Aluminum & tin food & beverage containers Glass & plastic (#1 & 2) food & beverage containers Lead acid batteries Mercury containing products Recyclable paper

Encouraging Investment in New Hampshire

Twenty years ago, New Hampshire had a dynamic and successful program focused on recycling market development. It worked directly with the industry and state economic development officials to encourage investment and jobs in New Hampshire. Since this program was dissolved, New Hampshire has done extremely little to encourage such investments. As a result, other states in the region have been well positioned to encourage those investments. Several factors draw business investment into a state:

- Cost of energy
- Environmental requirements
- Permitting and licensing process/requirements
- Predictability of markets (both necessary materials coming in, and the confidence that the product will be sold)
- Sources of investment funding (loans, grants, subsidies)
- Taxes, tax rebates, and tax waivers
- Transportation networks

In addition to this list, greater access to a skilled workforce has become a critical factor as well. Some states, including Massachusetts, have invested in workforce training for the recycling industry.

As for any business, being "courted" makes a difference. Without targeted efforts to draw investment into New Hampshire, it becomes less likely that it will happen.

There are a few examples around the country where notable state programs have driven significant recycling investment and jobs. These currently include North Carolina and Pennsylvania. In the past, in addition to New Hampshire, there were very successful programs in Massachusetts and New York. Both Massachusetts and New York continue to provide grants, loans, and incentives to recycling businesses, but the context in which those arise has shifted.

Existing End Markets in New Hampshire

NERC recently published a directory of businesses in the 11-state region that process or use post-consumer recycled content after processing by MRFs, derived from so-called "blue bin" recyclables: paper, plastic, glass, aluminum and steel cans. The directory includes more than 140 companies, but only four in New Hampshire.

APC Paper Group	Claremont
Gorham Paper & Tissue	Gorham
Graphic Packaging	Concord
Rand-Whitney Container LLC	Dover

Recycled Content & Buying Recycled

State and local government can play a significant role in the development and support of end markets, and the value of commodities from MRFs. Required purchasing of products with post-consumer recycled content on the state and local levels (all agencies, including the Department of Transportation and DPWs, as well as colleges and schools), as well as having these products available on state contract, are extremely important drivers for end markets.

New Hampshire has such an Executive Order but how consistently it has been implemented relative to minimum recycled content is not obvious. Some states (not in our region) have gone as far as requiring minimum recycled content in certain products sold in their state. This is not a particularly credible strategy in a state with small consumer purchasing power, but sending a signal to brands and manufacturers that post-consumer recycled content "matters" and you want to see more of it sold in the state can be influential.

NERC has many examples of procurement policies, criteria for recycled content products, and other resources that New Hampshire could find helpful in implementing such a program.

Conclusion

There are many potential actions that the New Hampshire legislature could take to support and drive healthy recycling and recycling market development. These include:

- Disposal bans and/or mandatory recycling for paper, plastic, glass, metal, and aseptic packaging, food waste which are enforced on haulers and MRFs;
- Mandated purchasing of products with minimum post-consumer recycled content requirements;
- Laws requiring minimum post-consumer recycled content;
- Economic development programs focused on the recycling industry;

- Funding for statewide recycling education (both for the Department of Environmental Services as well as individual communities);
- A statewide recycling education campaign focused on reducing contamination, including leveraging the work of the Recycling Partnership;
- Supporting returning to dual stream recycling programs when there are MRFs available to process such materials;

- Supporting pay-as-you throw programs (Vermont has done it on a statewide level);
- A container deposit law especially for glass containers; and
- Increased funding and staffing for the Department of Environmental Services.

Report of the Committee to Study Recycling Streams and Solid Waste Management in New Hampshire

HB 617, Chapter 265, Laws of 2019

November 1, 2019

Membership

Rep. Karen Ebel, Chair Rep. Megan Murray, Clerk Rep. John O'Connor Senator David Watters

DUTIES

The committee shall study:¹

- The state of recycling programs in New Hampshire in light of changing market conditions.
- Challenges faced by the state and municipalities in running recycling programs and solid waste management.
- Such other related issues as the committee deems necessary, including potential legislation.

INTRODUCTION

To say that the subject of solid waste is vast and complex is an understatement. As weeks of hearings passed, the study committee increasingly realized the extent to which the issue touches every aspect of our society. The generation of products, use of our resources and disposal of unwanted materials has ramifications for our towns, state, nation and world, with broad, important economic, public health and environmental impacts. The impacts require our immediate attention. Many are passionate about how we use our resources and how we dispose of the waste we generate. The study committee did its best to do justice to the magnitude of our state's solid waste challenges in the short time it had for review, holding 14 meetings and taking testimony from over 50 stakeholders. The committee greatly appreciates the support of those who assisted it in its work.

Based on testimony and research, the committee found that our state's solid waste management planning and education efforts have fallen far behind that of our neighboring states and nationally, primarily due to deep budget cuts at the New Hampshire Department of Environmental Services' Solid Waste Management Bureau. The inability of resource-strapped

¹ Taken verbatim from bill.

DES to adequately perform its long-range planning and related responsibilities has left our state in a difficult predicament (some have termed it a developing waste emergency), born primarily by our municipalities and property taxpayers, as global recyclable markets roil, prices for recyclables fall, our solid waste disposal tonnage increases, our landfills fill and we continue to produce untold, arguably inexcusable, amounts of waste that is increasingly difficult and expensive to handle. Our state must adjust its laws and programs to reflect the new economic, environmental and public health realities of solid waste management. This will take commitment, foresight, collaboration and funding.

The study committee hopes the following findings and recommendations spotlight both the challenges and opportunities that lay ahead, enabling the state to do a better job in the future. Testimony submitted to the committee and related materials can be found at the committee's NH General Court website here: <u>http://gencourt.state.nh.us/statstudcomm/committees/1476/</u>

BACKGROUND

The regulation of solid waste has a long history in New Hampshire, beginning in 1799 when the state imposed a fine of up to ten dollars upon any person who, in the Town of Portsmouth, "shall throw, place or leave ... any filth, garbage, putrid animal or vegetable substance, or any matter of an offensive nature ... injurious to the health of said inhabitants, in any highway, street, lane, or open alley, or on any common, or into any dock, or on any wharf, or in any shoal water in said town, where the tide will not remove and carry the same away ..." This law was the basis for solid waste management for the next 150 years with relatively minor modifications along the way. Over such time, this basic prohibition was expanded to the entire state.

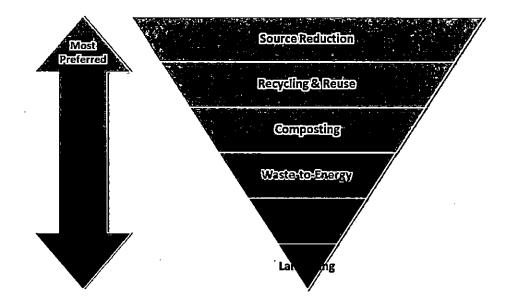
In the 1949 to 1955 time period, the Legislature established the basic bifurcation which exists to this day between municipal and state responsibilities for the management of solid waste in New Hampshire. Municipalities were required to provide and maintain public dumping facilities (aka landfills) for their residents, and the state was tasked with establishing the regulations for such facilities. Though most towns landfills are now closed because they were unlined and contaminating groundwater, RSA 149-M:17 still requires that "each town shall either provide a facility or assure access to another approved solid waste facility for its residents" and may make bylaws "governing the separation and collection of refuse within the municipality." The state, through the Department of Environmental Services (DES), remains responsible for adopting regulations for the operation of such facilities, which now includes not only landfills, but also transfer stations, recycling centers, scrap yards, composting facilities, and incinerators. DES manages this through a permit system and is responsible for enforcement.

The primary statutory laws governing solid waste management are found in <u>RSA 149-M</u>. The chapter's Statement of Purpose reads that "it is the declared purpose of the general court to protect human health, to preserve the natural environment, and to conserve precious and

dwindling natural resources through the proper and integrated management of solid waste." Over the years, the Legislature has incorporated into RSA 149-M various provisions that are aimed at achieving this purpose. Some have focused on the state's responsibility to prevent pollution from disposal facilities (landfills and incinerators), thereby protecting public health and the environment. Others are tailored toward the conservation of natural resources, which is accomplished upstream from the disposal facilities by municipalities, residents, and businesses taking action to reduce the waste they produce.

The New Hampshire Department of Environmental Services ("DES") has used the authority granted to it to close all of the unlined landfills in the state that were opened prior to modern environmental standards. These unlined landfills, many of which were owned by municipalities, were contaminating groundwater and associated surface waters as water in the environment moved in an unrestricted manner through the refuse, carrying pollutants offsite. These landfills were capped with an impervious layer to keep precipitation out and monitoring wells were installed around the sites to periodically test for pollution migrating offsite. Much higher standards are now in place for the construction and operation of solid waste landfills and so groundwater contamination from landfills has been largely abated. In addition, significant methane emissions to the air from decaying waste are now either captured as an energy resource or else flared, which reduces the severity of greenhouse gas emissions.

In an effort to "conserve precious and dwindling natural resources" as stated in RSA 149-M's purpose statement, the Legislature established two interdependent objectives in 1990. One was a preferred hierarchy of waste management methods, namely source reduction, recycling and reuse, composting, waste-to-energy technologies (including incineration), incineration without resource recovery, and landfilling.



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The other objective was to achieve by the year 2000 "a 40 percent minimum weight diversion of solid waste landfilled or incinerated on a per capita basis" by means of source reduction, recycling, reuse, and composting. These are the more preferred methods listed in the hierarchy. Doing so would not only conserve natural resources used in the making and packaging of products, but also help accomplish another declaration made by the Legislature – that "it is important to reserve landfill and incinerator capacity for solid wastes which cannot be reduced, reused, recycled or composted." The Legislature made clear the importance of these two interdependent objectives by requiring that "in exercising any and all powers conferred upon the department under this chapter, the department shall use and consider criteria relevant to the waste reduction goal and disposal hierarchy."

Since these objectives were first established back in 1990, the focus of waste reduction/diversion has been on increasing recycling rates. Recycling has been popular with the public and many municipalities have done an admirable job at establishing well-run recycling programs within their communities. Most of the smaller municipalities (those without curbside collection) relied on residents sorting their own recyclables by material type such as glass, aluminum cans, metal cans, plastics by number (i.e., #1 - PETE, #2 – HDPE, etc.), newspaper, cardboard, and office paper, and then dropping it all off at the local landfill, transfer station, or recycling center. This resulted in a fairly clean product that required little further processing by the municipality beyond baling each commodity, as needed, and then storing it for later shipment into the recycled materials market.

Larger communities with curbside service could not readily pick up sorted materials because of the impracticality of having the necessary number of separate compartments on a truck. Some provided a recycling center to which residents could bring their sorted recyclables, but this was not ideal since the residents were accustomed to the ease of curbside collection. The development of materials recovery facilities (MRFs) that use sophisticated machinery and technology to separate co-mingled recyclables provided a solution to this problem. Residents only had to separate their recyclables into one bin, which would then be conveniently picked up at the curb along with their regular trash. In turn, municipalities needed to devote only one compartment on their trucks to recyclables.² The recyclables would subsequently be delivered to a MRF for further processing.

Single stream recycling is now widely used in larger communities in New Hampshire. It has even proven attractive to a few municipalities with traditional drop-off facilities because of its simplicity, low processing costs, and ease of use by residents. This includes municipalities

 $^{^{2}}$ As opposed to single stream recycling as was being described, some communities engage in dual stream recycling in which the fiber products (paper and cardboard) are kept separate from the other recyclables. This makes the process of sorting at the MRF simpler, theoretically resulting in lower costs and better end-product materials. However, curbside collection becomes more costly as a two-compartment truck needs to make a separate run just to pick up recyclables.

with well-established programs, where residents did the sorting, that switched to single stream recycling. However, most municipalities without curbside pickup have stayed with source separation by their residents.

ISSUE

MRFs do a remarkable job of separating out the various recyclable commodities from a co-mingled, single stream input, but it is inevitable that there will be some contamination in the end products. Much of this is due to consumers putting unacceptable materials into their recycling bins that the MRFs cannot entirely eliminate through processing. Oftentimes, consumers are confused as to what is acceptable due the myriad assortment of items for disposal that do not always fit neatly into well defined recycling categories. Consumers can also suffer from a desire to recycle everything possible because it is the right thing to do, and therefore err on the side of throwing it into the recycling bin when in doubt (aka wish-cycling). There is also a financial incentive to put as much in the recycling bin as possible in those communities that charge for trash, but not for materials recycled by the resident. These are known as pay-as-you-throw programs which have become quite popular and are meant to encourage recycling.

The contamination in the end products produced by MRFs was not a problem as long as China, a world leader of importing recyclable materials for use in its own manufacturing economy, was willing to tolerate it. That was the case until late in 2017 when China decided to no longer accept the levels of contamination found in most MRF produced materials, in particular those found in mixed plastics and mixed paper, thereby effectively closing off this critical market for these materials. The repercussions from this decision by China have been profound. There is now a glut of certain recyclable materials on the world market causing prices to tumble. For example, the average price of mixed paper in the northeast has dropped from a high of \$85 per ton in March 2017 to below zero now according to the Northeast Resource Recovery Association (NRRA). Both New Hampshire municipalities that source separate and those that rely upon single stream/MRF recycling have been hurt by this precipitous fall in price. Some communities with ongoing contracts involving MRFs are protected for now but will be negatively affected when contract renegotiations occur.

These financial challenges being faced by municipalities were the primary impetus for the creation of this study committee in the hopes of finding possible actions, including legislation, that might help with the situation. In the process of conducting this study, the committee has also explored other challenges concerning solid waste management that have seemingly lied dormant for many years, at least at the Legislature. The 40% waste diversion goal through source reduction, recycling, reuse, and composting was set by the Legislature back in 1990 and was supposed to be achieved by 2000. Has that been accomplished and are there adequate ways of measuring it? Has landfill and incinerator capacity been reserved to only those materials that cannot be otherwise diverted, as called for by the Legislature? If not, what can be

improved upon? Composting possibly? Is the state committing sufficient resources to the issue of solid waste management?

PROCESS

The committee met a total of 14 times at which it took extensive testimony from various stakeholders, including municipal facility operators, private landfill and incinerator operators, conservation organizations, recycling organizations, state agencies, composters, regional planning commissions, a hospital, a grocery store, a product manufacturer, a plastic container manufacturer, middle school students, and concerned citizens.³ The committee organized its meetings with each primarily focused on a different aspect of solid waste management. The committee also toured Turnkey Landfill in Rochester, NH and the MRF in Billerica, MA, both of which are owned and operated by Waste Management.

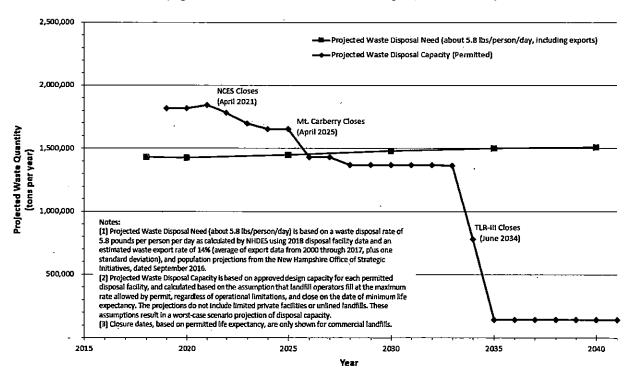
FINDINGS

- Fundamental policies. The basic policies mentioned earlier that form the framework of solid waste management in the state and were established by the Legislature nearly 30 years ago are still sound ones, at least in concept. They are: a) Solid waste should be managed using the preferred hierarchy of methods, namely source reduction, recycling and reuse, composting, waste-to-energy technologies (including incineration), incineration without resource recovery, and landfilling; b) The methods listed higher in the hierarchy (source reduction, recycling, reuse, and composting) should be used to divert, by weight and on a per capita basis, at least 40 percent of materials disposed of at landfills or incinerators; c) It is important to reserve landfill and incinerator capacity for solid wastes which cannot be otherwise reduced, reused, recycled or composted; and d) In exercising any and all powers conferred upon.DES, the department shall use and consider criteria relevant to the waste reduction goal and disposal hierarchy.
- 2. 40% diversion standard. DES has found that calculating the percentage of solid waste diverted is inherently difficult in that it includes source reduction which involves changes made in the manufacture of products. DES does not regulate at the point of manufacture, but rather at the solid waste facilities which it permits. It receives data from permitted facilities, but not manufacturers. DES does not know, in part due to this issue, what our current diversion rate is and so the level of success in achieving the 40 percent diversion goal is unknown.
- 3. Landfills. Landfills are the least favored method of solid waste disposal. Land used for disposal has other worthwhile uses. To ensure public health, landfills must be permanently

³ All those who testified in front of the committee are listed in Appendix A. All materials provided to the committee can be found at: <u>http://www.gencourt.state.nh.us/statstudcomm/committees/1476/documents.html</u>

and securely sealed on both the bottom and top. While there is some decomposition of solid waste once it is landfilled (testimony indicated the volume of a landfill will decrease about 20% only), most solid waste, including much plastic, construction and demolition debris and innumerable other types of waste, remain entombed in perpetuity, requiring ongoing maintenance and always a potential threat without proper monitoring.

4. Landfill capacity. Landfill capacity in New Hampshire is currently provided by 3 public landfills that only accept waste from specific NH municipalities (plus some VT municipalities in the case of the Lebanon landfill), and 3 private landfills with unlimited service areas, including areas outside of New Hampshire. Landfills, or later expansions, are permitted by DES with specific waste disposal boundaries and height restrictions. The permit conditions for many of them, including all of the private ones, require that facilities operate for a specified minimum number of years. Based on these permit conditions, and assuming no further expansions of landfill capacity or changes in diversion rates, DES predicts a limited shortfall in disposal capacity between 2025 and 2034, and a significant shortfall after that.⁴ About 50% of the solid waste disposed of in New Hampshire comes from out-of-state.⁵ Landfill capacity in the region is becoming tighter as landfills close, causing an upward pressure in tipping fees.



Projected Waste Disposal Need & Capacity for New Hampshire (2020 - 2040) (Fig. 2 from DES Biennial Solid Waste Report, October 2019)

⁴ See <u>Biennial Solid Waste Report</u>, October 2019, Department of Environmental Services, 6-7.

⁵ Ibid. 9.

5. New landfills and landfill expansion. Our state's landfill capacity is rapidly dwindling. Permitting new landfills is difficult for a variety of reasons, including topographical siting hurdles and due to understandable public opposition. The Town of Bethlehem recently declined to permit expansion of a Casella-owned landfill. Area residents oppose attempts by Casella to place a landfill in Dalton adjoining Forest Lake State Park. The recent DES approval of Rochester's Turnkey landfill has been appealed to the Waste Management Council on a number of grounds. The appeal failed, but the Council's decision has again been appealed. Legislative efforts to protect New Hampshire's future landfill capacity can be accomplished if such laws do not unjustifiably discriminate against out-of-state waste as prohibited the Interstate Commerce Clause of the U.S. Constitution.⁶ In permitting, the Bureau must assess the public benefit of the request pursuant to RSA 149-M to ensure no constitutional violations.

DES provided the following table to the study committee illustrating total amounts of waste disposed of from 2015-2018 at New Hampshire's landfills and one waste-to-energy facility. Disposal tonnage has increased, and the ratio of in-state compared to out-of-state waste is about 50%. But at Waste Management's Turnkey landfill in Rochester, for example, the percentage of in-state waste has been between 36% and 40%. The table shows only the currently permitted disposal capacity. It may increase in the future.

Year	In-State	Out-of-State	% In-State	Est. Remaining Capacity					
Γ	tons	tons	%	Cubic Yards	Years				
Landfills - Unlimited Service Area									
North Coun	try Environmental Service	s (NCES)							
Bethlehem, NH Permitted life expectancy through at least April 2021									
2015	242,924	101,164	71%	-	-				
2016	251,699	181,307	58%	1,335,000	4.3				
2017	237,853	134,075	64%	916,000	3.3				
2018	231,515	120,770	66%	599,000	2.0				
TLR-III Rei	fuse Disposal Facility (aka	Waste Management, Tu	rnkey)						
Rochester, NH Permitted life expectancy through at least June 2034									
2015	392,362	703,961	36%	-	· _				
2016	392,460	698,250	36%	9,494,000	7.3				
2017	569,329	845,339	40%	8,134,000	6.3				
2018	569,558	918,798	38%	6,987,000	5.4				
Mt. Carberr	y Landfill								
Success, NH			Permitted life exp	pectancy through a lea	ast April 2025				
2015	120,447	95,680	56%	-	-				
2016	148,466	96,023	61%	2,184,000	7.1				
2017	138,129	93,621	60%	1,928,000	6.3				
2018	145,222	90,209	62%	1,673,000	5.7				
Total (Lan	dfills - Unlimited Service	Area)		· · · ·					
2015	755,733	900,805	46%	-	_				
2016	792,624	975,580	45%	13,013,000	-				
2017	945,311	1,073,035	47%	10,978,000					
2018	946,295	1,129,777	46%	9,259,000	-				

⁶ U.S Supreme Court case, Philadelphia vs. New Jersey, 1978, <u>https://caselaw.findlaw.com/us-supreme-court/437/61</u>7.html

⁸

Year	In-State	Out-of-State	% In-State	Est. Remaining Capacity	
	tons	tons	%	Cubic Yards	Years
		Landfills - Limited S	ervice Area		
Lower Moun	t Washington Valley Secu	re Solid Waste Landfill			
Conway, NH			Nor	ninimum permitted li	fe expectancy
2015	2,290	0	100%	-	-
2016	2,302	0	100%	262,000	20
2017	2,426	0	100%	249,000	19
2018	2,486	0	100%	238,000	18
	ional Solid Waste Facilit	y			
Lebanon, NI				ninimum permitted lif	fe expectancy
2015	31,150	12,031	72%	. –	-
2016	29,007	11,547	72%	1,128,000	13
2017	27,518	11,312	71%	850,000	10
2018	28,394	11,625	71%	810,000	9.
	cure Landfill Expansion				
Nashua, NH				ectancy through at lea	ast April 2023
2015	68,129.	0	100%	-	
2016	68,471	0	100%	794,116	9
2017	75,579	0	100%	687,054	7
2018	76,971	0	100%	553,172	4.5
	fills - Limited Service A	rea)			
2015	101,569	12,031	89%	<u> </u>	-
2016	<i>~</i> 99,780	11,547	90%	2,184,116	-
2017	105,523	11,312	90%	1,786,054	-
2018	107,851	11,625	90%	1,601,172	- ,
	J	ncinerators - Unlimited	I Service Area		
Wheelabrator Claremont, N		d operating on 9/29/201	3		
Wheelabrator					
Penacook, N		· · · · · · · · · · · · · · · · · · ·	2.4-1	1	-
2015	195,828	7,595	96%		-
2016	189,734	7,391	96%	-	
2017	174,531	20,233	90%	-	-
2018	174,673	18,656	90%	-	-
	d (All Disposal Facilities			& Limited Service A	(reas)
2015	1,053,130	920,431	53%	-	
2016	1,082,138	994,518	52%	-	-
2017	1,225,366	1,104,580	53%		-
2018	1,228,819	1,160,058	51%		-

Notes:

1. All data from annual facility reports submitted to NHDES-SWMB. Some estimated remaining capacities noted herein may not include approved additional capacity.

2. Alternate Daily Cover (ADC) is not included in any of the amounts presented in this table.

3. WMNH-Turnkey expansion was approved on 6/11/2018 for an additional 15.9 million cubic yards; life expectancy through 2034.

4. Mt. Carberry reports additional remaining capacity for conceptual expansion (Phase III) of about 7,718,000 cubic yards or 32 years.

5. Mt. Carberry expansion application approved February 2019; about 2 years additional capacity to 2025.

6. Expansion application under review for NCES; application requests approximately 2 additional years of capacity.

7. Boscawen Corn Hill Road C&D Landfill and Epping Bulky Waste Disposal Area not included (small amounts relative to facilities included; operations expected to cease by 2025)

8. Merrimack Station Coal Ash Landfill, located in Bow, NH, not included (small amounts relative to facilities included; limited private facility)

9. Bridgewater incinerator not included (small amounts relative to facilities included).

- 6. Landfill leachate and gas. Landfills generate leachate, including PFAS, which must be assiduously and carefully handled to protect the public health. During the study committee's visit to Turnkey, it learned that Waste Management (WM) processed approximately 100,000 gallons of leachate per day. It has gone to great expense to process this leachate, but toxins removed are concentrated into a cake and then must be placed back in the landfill where it is secured. Landfills also generate landfill gas, about 50% of which is methane, a potent greenhouse gas and a contributor to climate change. Many landfills, including Turnkey, have equipment that creates electricity from the landfill gas, but many do not. It requires a large investment. In many cases, the gas is flared. An innovative, well-considered New Hampshire collaboration between Turnkey facility and UNH involves the piping of methane to the university for energy. Again, however, market forces play a major role. If fossil fuels are cheaper, electricity generated from landfill gas and waste-to-energy processes must be sold at a less profitable price. This undermines the economic use of these methodologies, making them less popular.
- 7. Waste-to-energy. Per the New Hampshire statutes, waste-to-energy plants are better alternatives for dealing with solid waste than landfills. Assuming air quality standards are met, waste-to-energy plants provide a good alternative energy source, and are a method used widely where there is little land available for landfills. Although the ash from these plants must be deposited in landfills, Wheelabrator testified that it is working on ways to reduce what is put in landfills, such as removing ferrous materials. This makes economic sense.
- 8. Economics. As long as the cost of recycling, composting, or other means of diversion is less expensive than the tipping fees charged by landfills and incinerators and associated hauling costs, then it makes economic sense to engage in those activities. However, the recent collapse in prices of certain recycled material commodities, caused by China enacting stricter contamination standards through its National Sword policy, has made the economic viability of recycling less clear to municipalities, especially those that rely on single stream recycling and MRF processing.
- 9. Reducing contaminants in recyclables. In general, recyclables that are not contaminated with non-recyclable materials have greater market value. MRFs that receive co-mingled, single stream materials that have less contamination will produce cleaner end products with greater value. Achieving a less contaminated single stream source requires educating those seeking to recycle as to what is acceptable to throw in the recycling bin.

10. Food recovery hierarchy. The following food recovery hierarchy developed by EPA⁷ is an excellent policy guide for reducing the amount of food waste disposed of in landfills or incinerators.



- 11. Food waste regulations. Food waste represents an economic loss to the consumer who bought the food but did not eat it, or the store that purchased the food for resale, but was unable to do so. In some circumstances, it is also a lost opportunity to feed those struggling to put food on the table. Regulations of NH Department of Health and Human Services, in conjunction with federal regulations, sometimes make it difficult to share food that would otherwise become a waste product. Finding ways through education or needed regulatory reform of getting the food eaten rather than thrown away should have the highest priority.
- 12. **Composting preserves landfill capacity.** Composting is an excellent method of diverting organic materials from the waste stream and being landfilled or incinerators. Organics are the feedstock for the creation of methane in landfills, an energy source when captured but a potent greenhouse gas when released to the atmosphere. New Hampshire has already banned the disposal of leaf or yard waste in landfills and incinerators which has resulted in the materials being composted on-site or else collected and composted relatively inexpensively elsewhere. However, very little unused food, which constitutes 22% of discarded solid waste according to EPA,⁸ is diverted for composting or other use. This constitutes a huge opportunity for additional diversion by various means. Municipalities could also save money in tipping fees by doing more composting.
- 13. Challenges to decreasing food waste. There are two primary obstacles hindering the more widespread composting of food waste. One is that it must be kept separate from the rest of the waste or recyclables, both by the generator and the collector. This constitutes more work

⁷ https://www.epa.gov/sustainable-management-food/food-recovery-hierarchy

⁸ https://www.epa.gov/sustainable-management-food/sustainable-management-food-basics

by all involved and potentially greater transportation costs, especially if collected at the curb which requires a separate pickup. The other obstacle is that current DES rules prohibit the inclusion of meat and dairy from being composted at most facilities, unless the facility has obtained a standard permit for such composting. Obtaining a standard permit is a more complex and expensive process than the more commonly used permit-by-notification, and to date, no one has applied for a standard permit to allow composting of meat and dairy.

- 14. Composting regulations. In the hopes of making it easier for composting facilities to open and operate in New Hampshire, in particular smaller operations, the Legislature in 2015 required DES to adopt rules relative to "requirements and best practices for facilities that compost organics, including vegetable matter, meat, meat byproducts, dairy products, or dairy product derivatives." DES held a series of stakeholder meetings in 2017 and 2018 to work on the issue, but has not yet proposed or adopted rules due to, among other factors, resource (staffing) deficiencies as stated by the department. The need for adopting such rules was a common refrain from those who testified before the committee, including from the farming community. In fact, farmers saw the ability to engage in commercial composting as a good way to augment their tight income streams. Farmers asserted that businesses and municipalities could use the farms for composting to dispose of collected food waste more economically than by landfilling. Until the regulations are amended, DES has offered to consider waiver requests from the meat and dairy prohibition under the permit-by-notification process.
- 15. **DES deficient due to lack of funding**. The State of New Hampshire is not doing nearly enough to prepare for an evolving solid waste emergency. Our landfill capacity is rapidly diminishing. Local communities have increasingly little inclination to host them and local land use ordinances control. Our waste management and planning statutes are out of date. Virtually everyone who testified bemoaned the troubling lack of forward-looking planning, technical assistance and education done by DES due to staff shortages. They convincingly asked the committee to find a way to increase financial support to the agency to enable it to better do its job. The Solid Waste Bureau now has two primary functions: permitting and compliance. Without additional funding, it is unclear what the future holds for our state and our municipalities as they deal with their solid waste disposal challenges.
- 16. Former DES Planning and Community Assistance Section. Over a decade ago, Solid Waste Management Bureau of DES's Waste Management Division (the "Bureau") had an active Planning and Community Assistance Section. It was composed of five individuals who operated in a non-regulatory fashion and assisted municipalities with solid waste management issues and promoted recycling and composting throughout the state. They also worked on updating the state's Solid Waste Management Plan as required every 6 years by statute (the last update was in 2003.) Unfortunately, budget cuts over the years eliminated all of these positions except one, the Solid Waste Operator Training Coordinator. In addition, there used to exist a Recycling Market Development Coordinator within the former

Department of Resources and Economic Development, as well a Governor's Recycling Program, which focused on school recycling and outreach as a whole.

- 17. New Hampshire falling behind. The state's reduced support for solid waste management planning and assistance over the years has left it incapable of adequately responding to the various challenges that have arisen. Many municipalities feel they receive inadequate state direction and have to go it alone in a complex situation where they have minimal control. Other states are moving ahead with their recycling and composting programs, whereas New Hampshire, for instance, does not have an in-state MRF for single stream recycling or commercial composting facility permitted to take meat and dairy. The absence of such facilities makes it much more expensive to single stream recycle or compost food waste because of transportation costs. Surrounding states have also instituted certain disposal bans at landfills, such as on food waste and construction and demolition debris. The Northeast Resources Council provided a comprehensive, eye-opening list of regional disposal bans in its testimony.9 This makes New Hampshire's commercial landfills, with no such bans, a more attractive disposal option for waste that has been banned in that state. Additionally, other states, such as Massachusetts, have closed landfills, making New Hampshire a cheaper, nearby alternative for landfill disposal. As tipping fees increase regionally, more pressure is put on NH's landfills. Other states have devoted significant funds to developing creative, effective solutions to enable better use of resources, recycling and composting to preserve landfill capacity.
- 18. Disposal surcharges. Testimony indicates that most states in the nation impose disposal surcharges on solid waste disposed of in their state. While the specific uses of these dedicated funds varies, funds provide vital support to state government for its long-range planning, education, rule-making, grant-making and technical assistance capabilities. New Hampshire stands almost alone by not charging a disposal surcharge. In our revenue-strapped state, it is unlikely the Bureau can be adequately funded with general funds to do its statutory responsibility. A dedicated fund financed by all who dispose of solid waste in our state or some other source of funding is necessary for the public health of our citizens.¹⁰
- 19. DES Waste Management Council. As further elucidated in the <u>RSA 21-O:9</u>, the Council is responsible for hearing all administrative appeals of DES decisions concerning waste management, advising the Director of the Waste Management Division on a broad range of long-range policy and planning issues, and reviewing proposed administrative rules. Members receive no compensation except for mileage and expenses. The council meets at least four times per year. A considerable amount of its time is devoted to hearing appeals,

⁹ Comments provided by the Northeast Recycling Council,

http://www.gencourt.state.nh.us/statstudcomm/committees/1476/documents/NERC%20comments.pdf ¹⁰ A chart of Solid Waste Disposal and Operating Fees in U.S. States generated by DES, 2013,

http://gencourt.state.nh.us/statstudcomm/committees/1476/documents/Solid%20Waste%20Disposal%20and%20Ope rating%20Fees%20-%20Comparison%20US%20States%20-%202013.pdf

especially recently. The director provides an overview of Division activities on a regular basis. Proposed rules are also presented periodically.

- 20. Solid Waste Management Plan update vital. Pursuant to RSA 149-M, the Bureau is required to produce a solid waste management plan every six years. The last plan was issued in 2003. The Bureau testified that the primary reason for the continual delay is staffing and financial resource constraints. As indicated in the 2019 Biennial Solid Waste Plan (page 12), the Bureau now is basically only doing permitting and compliance work. It is impossible to adequately anticipate and plan for our myriad solid waste challenges without preparing a timely solid waste management plan. The bare bones Bureau staff is consistently pulled in multiple directions, including providing legislative support. It makes it extraordinarily difficult to produce a plan. One cannot overemphasize the importance of this document to our state's future with respect to solid waste. Our landfill capacity is plummeting. Approximately 50% of our landfill capacity goes to out-of-state waste. Forward-thinking, creative planning is vital.
- 21. Glass and processed glass aggregate. Glass presents another opportunity for improved management of a waste material. It is heavy, thereby making it expensive to haul any distance and expensive to dispose of at a landfill or incinerator where tipping fees are based on weight. It can also be a source of contamination when co-mingled with other recyclables and broken during handling and processing. Markets for recycling the material are limited and of low value, yet still require that the glass have little contamination. NRRA has a longstanding and simpler program for handling glass which is to crush it unsorted, along with other glass like materials (ceramics, Pyrex, etc.), which produces a processed glass aggregate (PGA) that may be used as a replacement for or as a mixture with construction aggregate (e.g. gravel and sand) in various projects, as long as it is not left exposed on the surface. Presently, the use of the material in private construction requires a professional engineer's or architect's approval, as required by DES's current Certified Waste Derived Product specification for the product. NRRA is working with DES to remove this requirement from the specification for NRRA's PGA in hopes of encouraging broader use of the product. In addition, the state Department of Transportation (DOT) requires that the product be more finely crushed (to 3/8 inch) before it can be used on a state road project. NRRA is unlikely to commit to having the material crushed to this dimension, as it is more costly, unless DOT makes a commitment to its use.
- 22. Plastics. Plastics are another major component of the waste stream that can be managed better. They have been increasingly used in the past few decades for packaging consumer products, such as food, into bottles, jars, packets, and bags of various shapes and sizes. They are also used as films to cover or encase foods such vegetables and meats to preserve freshness. Plastics are popular, versatile in application, relatively inexpensive, and are lighter than most other packaging materials, especially glass. This lightness results in lower transportation costs due to reduced energy (fuel) consumption, which also benefits the environment through lower greenhouse gas emissions. While others may disagree,

Stonyfield Farm's Director of Sustainability Innovation testified that the company's packaging research indicated that using plastic containers had the least impact from a climate change standpoint. Others asserted that the creation of plastics from fossil fuels and their manufacture can present significant health issues. Research also indicates an alarming increase in the pollution of our environment by plastic litter and microplastics. This is gravely concerning, given the lengthy lifespan of plastic materials.

- 23. Recycling plastics. Plastics are often marked with a numbered recycling logo (#1 7) indicating the type of resin they are made of, and can be either rigid or flexible. Though in theory, all of plastics may be recyclable, in reality it is very challenging to successfully do so. Consumers are often confused by all of the resin numbers and variations in form (rigid vs. flexible) that affect what can and cannot be recycled in their community. Mistakes are commonplace causing contamination that decreases value. Since plastics are so light, municipalities that process their own recyclables must have large storage areas to accumulate enough of a specific plastic to make a compressed bale of the material. The process is also labor intensive. In addition, viable or price-competitive markets may not be readily available either. China modified its acceptable levels of contamination to among the lowest levels worldwide. This has created a global supply glut of materials and this, along with the availability of low-cost virgin materials, depresses the value of recycled plastic. The fact that plastics are so light compared with other components found in solid waste means that there is less of an economic incentive to recycle them since disposal fees at landfills and incinerators are based on weight. In contrast, plastics take up considerable volume for their weight and thereby take up a disproportionate amount of landfill space.
- 24. **Circular economy for plastics needed.** The plastics industry is working towards "a circular economy for plastics"¹¹ with the aim of capturing the vast amounts of plastic packaging that is being landfilled, or worse, being released into the environment, and repurposing it. Research is underway into methods to collect and process more kinds of plastics, including flexible plastic packaging (ie, plastic film bags and shrink wrap), which has traditionally been considered a contaminant in single-stream, curbside recycling programs. Finding new and expanded markets for all types of used plastic once collected and processed is also being investigated. This is extremely important because of the on-going increase in the use of plastics due to their versatility and popularity, especially for single uses.
- 25. Decrease single use plastics. Plastics present singular, concerning environmental issues. Although certain types of plastics are highly recyclable, not enough is recycled. Testimony indicates that by some estimates 91% of all plastic ever produced has been disposed of in landfills or litters our land and seas.¹² Complicated plastic packaging is constantly evolving and is increasingly hard to recycle. Dart Container Corporation and the American Chemical Society testified that the industry is working hard in find recycling solutions, as many turn an

 ¹¹ American Chemistry Council plastics webpage, <u>https://plastics.americanchemistry.com/recycling-and-recovery/</u>
 ¹² We Made Plastic. We Depend on It. Now We're Drowning in It. by National Geographic, <u>https://www.nationalgeographic.com/magazine/2018/06/plastic-planet-waste-pollution-trash-crisis/</u>

increasingly critical eye toward plastics, but recycling alone is not the solution. Reduction of single use plastics in our waste stream is necessary. Other states in the region are taking action to decrease plastics. As noted in an earlier finding re: disposal bans by other states, this may mean more plastics being sent to New Hampshire for disposal. The committee appreciates the recent decision by waste management companies, including Waste Management, to stop sending plastics to poverty-stricken countries.¹³

- 26. **State procurement.** For recycling to work, all recyclables need good markets. The state of New Hampshire, through its procurement process, can help promote recycling by increasing its purchase of products with high recycled material content. This takes advantage of the significant purchasing power of state government and demonstrates leadership on this important issue. The state also needs to do what it can to incentivize increased use of recycled materials statewide.
- 27. Aluminum and tin. The markets for recycled tin and aluminum remain strong and are good sources of revenue for communities.
- 28. Healthcare. New Hampshire's hospitals and other medical facilities dispose of multiple tons of solid waste per day, much of it in landfills. Some hospitals are leading the effort to reduce their waste. Dartmouth-Hitchcock (D-H) has instituted aggressive programs to reduce its waste stream, by decreasing consumption where possible, recycling, and composting.¹⁴ D-H also tries to identify possible closed loop systems where a waste product is repurposed or recycled into a product, which is then bought by the hospital. For example, D-H contracts with the Bradford-based company, Circular Blu, to recycle its sterilization wrap by reprocessing it and using the material to create tote bags that are provided or sold at the hospital to patients, employees, and visitors. Testimony by the New Hampshire Hospital Association indicates an awareness of the waste problem and a desire to seek ways to improve. Organizations like Practice GreenHealth and Health Care Without Harm are helping lead the way.
- 29. Education on recyclability. Recycling's success depends on consumers. There is a great deal of consumer confusion and frustration as to what can be recycled, and how and where to do it. Municipalities, large and small, businesses and residents all testified to the need for standardization of signage that could be used universally to clarify recycling opportunities. Standardization of recycling signage and uniform recycling guidelines should help increase recycling. Education regarding best recycling practices will also help those collecting and processing recycled materials to decrease the amount of contamination by non-recyclable materials, thereby facilitating the development of markets and increasing prices for recycled goods. This in turn should decrease costs for municipalities, directly effecting consumer

¹³ <u>https://www.huffpost.com/entry/waste-management-plastic-export_n_5da9ce43e4b0e0f0378ae647</u>
 <u>http://rorr.btownwebclients.com/wp-content/uploads/2019/09/wm_01080-Plastic-Export-Policy_r1.pdf</u>
 ¹⁴ "Sustainability at Dartmouth Hitchcock Medical Center" in Green Energy Times.

costs. Many businesses are consulting to improve their solid waste challenges trying to do the right thing and save money, too. Casella, for instance, provides consulting services.¹⁵

- 30. **Coordination to promote recyclability.** The success of source reduction, reuse and recycling goods depends on consumers who face a blizzard of different sorts of products and packaging, from chip bags to toothpaste containers, juice boxes to single use applesauce containers. Many of these items end up at MRFs, as contamination, landfills or waste-to-energy plants. A much higher level of coordination is needed among those who make packaging, particularly plastics-based, businesses who design packaging for safe delivery and to attract sales, and those who must process the waste. If materials can be recycled, more cash can be generated which will decrease disposal costs, save landfill space and reduce litter. This will take a concerted national effort and much commitment. States are also taking action. Reacting to the large amount of unrecyclable packaging in its landfills, Maine has passed legislation seeking to promote extended producer responsibility.¹⁶
- 31. Business opportunities. The loss of the Chinese market for our mixed paper and plastics presents real, domestic economic opportunities that are beginning to evolve. In New Hampshire, we have a great deal of experience with paper processing that could be utilized to do more recycling. For instance, a Chinese company, Nine Dragons, has purchased US paper mills, including one in Rumford, Maine.¹⁷ Domestic plastic recycling plants are also starting to come online. New Hampshire could work with entrepreneurs to develop such businesses and become an incubator for solid waste recycling and reduction innovation. The committee had insufficient time to research the University System's activities regarding sustainability, but the System could increase engagement on these issues. There are also opportunities related to the development of anaerobic digesters and better uses for biogas in the creation of electricity. Business opportunities also exist for developing and promoting sustainable packaging.
- 32. Waste management industry. Waste management companies play a significant role in our society. Society generates a vast amount of refuse of a mindboggling variety. Virtually everyone, directly or indirectly, pays for private or public waste management services to deal with their garbage. While many are critical of waste management companies and the fact that they bury or burn unrecycled trash, what would happen if they did not? Where would it go? Until such time as society can achieve the laudable goal of zero waste, solid waste will continue to exist. Many throw things away and are unaware of or care little about where their trash goes. The study committee members were at times, overwhelmed when witnessing the sheer magnitude of trash being handled by the Waste Management's Billerica MRF (100,000 tons/year) and the amount being buried at Turnkey (approximately 1,500,000 tons/year). Companies like Waste Management and Casella are doing the job they are expected to do for

¹⁷ Nines Dragon Paper website, <u>https://us.ndpaper.com/</u>

¹⁵ https://www.casella.com/about-casella/innovation

¹⁶ Maine DEP to draft legislation designed to strengthen recycling, Recycling Times,

https://www.recyclingtoday.com/article/maine-explores-epr-legislation-for-packaging/

society, as regulated and overseen by our government. The study committee agrees that systems to decrease wasteful refuse generation must be developed and better methods of reuse and recycling must move ahead rapidly.

- 33. Waste management industry adaptation. Waste management companies recognize that to thrive as businesses, they, too, must work with all entities to better utilize materials that are banned from landfills (ie, food waste) or to recycle more materials. Economics will continue to drive these efforts. Casella, for example, is working to find alternative ways to handle waste it is called upon to dispose of through its sustainability program, described in great detail on its website.¹⁸
- 34. Municipalities are islands. NRRA works closely with municipalities to find markets for sorted recyclables. Municipalities rely heavily on their efforts to make recycling pay for itself, if not, to generate funds. This organization does an excellent job trying to facilitate better use of recyclable materials, but it is challenging work. Municipalities repeatedly asserted that they are on their own trying to figure out what to do with their solid waste and recyclables, negotiating individual contracts for solid waste hauling and disposal and recycling in a roiling global market with major fiscal pressures from property taxpayers. This is a tremendous burden for our cities and towns.
- 35. **Transportation costs.** One of the major expenses to municipalities is transportation of recycled goods. When municipalities were able to get a good return on recyclables, the transportation costs did not present such an obstacle. But now it can cost as much or more than what is paid for recyclables than the transportation costs. Many municipalities attempt to do the right thing and keep recycling, but for some, the economics do not work and they elect to throw items that they otherwise would recycle away. This uses up dwindling landfill capacity and is a waste of resources. The creation of an in-state MRF either through a private-public partnership or by private industry could decrease the transportation costs of recycled goods and promote more recycling. A regional recycling hauling system for smaller towns could ensure their recycling gets to market rather than to landfills.
- 36. Regional Planning Commissions and Solid Waste Districts. Regional planning commissions already play an important role in supporting the solid waste management efforts of New Hampshire's communities in a variety of ways, including acquisition of US Department of Agriculture Solid Waste Management grants, pilot programs, coordinating educational and recycling efforts and more. Additionally, <u>RSA 53-B</u> provides a mechanism whereby municipalities can join to form solid waste management districts. Somewhat unpopular in New Hampshire, these districts can help municipalities work collaboratively as they face the many hurdles of solid waste management in today's global turmoil.
- 37. School districts. School solid waste generation, recycling, food packaging, food waste and composting presents particular challenges. But as evidenced by the Somersworth Middle

¹⁸ Casella 2018 Sustainability Report, <u>https://www.casella.com/sites/default/files/pdfs/Casella-SustainabilityReport-2018.pdf</u>

School's impressive presentation, students in partnership with supportive school boards and administrations, can save money, accomplish much and learn a great deal working to better manage the solid waste generated. Their work could be a model for other school districts. One issue noted was that kitchen services are frequently contracted out and some private companies are slow to adopt composting and other beneficial efforts.¹⁹

- 38. Sustainability efforts by private businesses. It is encouraging that many businesses recognize the important of reducing their solid waste footprint. Here in New Hampshire, Hannaford, Stonyfield Farm, Hypertherm and Walmart are trying to become more sustainable. This is the right thing to do, but also companies are feeling public pressure to do more. Multistate businesses, especially large, multistate organizations, prefer predictability and uniformity in solid waste requirements. Hannaford testified as to its work with Maine on a statewide plastic bag ban bill because it had difficulty complying with multiple local ordinances. Casella testified as to the issues presented by varying state laws. In deciding whether to pursue more aggressive legislation to ensure source reduction and recycling, the legislature should understand that in doing so, it would join neighboring states and that businesses seeking uniformity could be supportive of these efforts. There are many organizations working on sustainability, such as the Sustainability Packaging Coalition members.
- 39. Zero waste efforts. Testimony indicates that our state and our world benefit from consistently pushing toward source reduction and reuse. The public, our municipalities, businesses and state agencies want to do the right thing. Many pathways to improvement to exist. We need to consistently strive to improve and be given the tools to do so. Zero waste is a worthy goal.

RECOMMENDATIONS

- 1. The state must accept its statutory responsibility under RSA 149-M and resume its leadership role in long-range planning, technical assistance and public education to foster the better management of New Hampshire's solid waste challenges and recycling opportunities.
- 2. New Hampshire's solid waste management statutes and related programs must be updated to properly reflect current local, state, national and global conditions. They must also be updated to reflect our better understanding of the economic, environmental and public health costs of different types of solid waste and the effects of burying and incinerating our waste. **Legislation recommended to update solid waste management laws.**
- 3. DES Solid Waste Management Bureau must be provided with adequate funding to perform its vital, statutory long-range planning duty and, because general funds have proven to be an

¹⁹ Somersworth Farm to School initiative, <u>https://docs.google.com/presentation/d/12-</u> wB86S0fpPmPmQJzBKsEr6BoTtoTOUg7DeZ7CIgSCk/edit#slide=id.g4bab56338b_1_0

unreliable funding source, a new method of funding must be developed. Like most other states, New Hampshire should create a dedicated fund to support the vital activities of the Bureau based on a per ton disposed surcharge. Such a surcharge should be based on all instate and out-of-state solid waste tonnage delivered for disposal at any in-state landfill and waste-to-energy plant. The expenditure of these funds must first and foremost include financial support of the Solid Waste Bureau, so that it can perform its statutory duties and support our municipalities. DES should refine how these funds will be expended through rulemaking. Legislation recommended to create a funding source through the institution of a dedicated fund based on per ton disposal surcharges on all waste landfilled or incinerated in New Hampshire. Such legislation would include a method of reimbursing surcharges paid by New Hampshire municipalities back to them for solid waste-related uses.

- 4. To promote the state's solid waste hierarchy, as stated in <u>RSA 149-M:3</u>, and because misunderstanding leads to more solid waste disposal, the Bureau should take an active leadership role, including outreach, in education of residents, municipalities and businesses in developing simplified guidance on what is recyclable, and how and where to do it. The Bureau should continue to seek opportunities to work with and seek the support of stakeholders to educate on solid waste management-related subjects as they arise. Legislation recommended.
- 5. To assist the Bureau in the performance of its long-range planning responsibilities and other recommendations of this study committee, the Legislature should create a statutory commission, working group or similar entity that includes a variety of stakeholders. This entity should include at least one member of the DES's Waste Management Council, which also has long-range planning and public education responsibilities. The entity should have no more than a 5-year lifespan. Legislation recommended to create a 5-year or less statutory commission, working group or similar entity, including at least one member of the Waste Management Council and other stakeholders, to work with DES to develop sound forward-looking, solid waste management policies, educational outreach and technical assistance programs and similar endeavors, as necessary.
- 6. DES must put the necessary resources into updating the 2003 Solid Waste Management Plan no later than September 30, 2020. The Legislature should reconsider the requirement of revising the plan every 6 years with a view toward doing so every 10 years for better planning. Legislation recommended to amend the 6-year requirement to 10 years and to require prompt completion of a new solid waste plan no later than September 30, 2020.
- 7. The Legislature should revise RSA 149-M:29, II in accordance with the analysis, conclusions and recommendations of the DES's Biennial Solid Waste Report from a 40% waste diversion goal to a disposal reduction goal with specified targets and timelines to reduce annual tonnage disposal. Legislation recommended to amend RSA 149-M:29, II to replace the 40% waste diversion goal with disposal reduction goals with specified targets and

timelines. The committee supported a minimum of 25% disposal reduction by 2030 and 45% disposal reduction by 2050.

- 8. Like other states, NH should institute disposal bans of various types of waste over a carefully considered time frame and work to create markets and an infrastructure to accommodate the banned items. Such bans would prohibit identified waste from being disposed of in landfills or incinerators. Items to consider are food waste, any electric device with a cord, rechargeable batteries, various types of plastics, glass, and construction and demolition debris. Currently, NH bans leaf and yard waste and electronic waste, among other things, by statute. (RSA 149-M:27) The state should also closely assess the extent to which solid waste banned in other states is being disposed of here and whether that should be permitted. Legislation recommended to institute disposal bans.
- 9. Because domestic recycling is a job creator and provides ample business opportunities, the state should incentivize and develop methods to support new and existing businesses that seek to engage in the production of new products from recycled goods, such as plastics and paper products, and ways to reduce and reuse solid waste. Similarly, the state and private entities should work to develop markets for recycled goods, working with groups such as the Northeast Recycling Council. The state should also promote the development of corporations producing sustainable packaging. Legislation recommended.
- 10. Because food waste takes up so much landfill capacity, drives methane release and would be far better consumed than wasted, the Department of Health and Human Services should create internally or the Legislature should create a task force to review and improve food safety regulations with a view to maximizing beneficial use of what is now viewed as waste. This regulatory review should include stakeholder input from food banks, food sellers, schools and restaurants. NH should join other states in their efforts to decrease food waste. Legislation recommended to require DHHS to review and improve food waste-related regulations in an attempt to reduce food waste and feed the hungry.
- 11. As funding becomes available, the Long-Range Planning and Community Assistance Section of the Bureau must promptly be reactivated, per Finding #16, to assist municipalities, non-profits and others with long-range planning, technical assistance with respect to their solid waste challenges (including finding recycling material outlets) and contract negotiations.
- 12. Based on testimony from a variety of stakeholders, municipalities should strongly consider instituting pay-as-you-throw programs to reduce property taxes and to decrease what is landfilled and incinerated, to encourage source reduction and to increase recycling.
- 13. The Department of Administrative Services should work with the Legislature to review and update state laws to reflect current solid waste challenges and opportunities and to coordinate disposal and recycling effects. Decentralized waste disposal policies should be reviewed and adapted to improve currently centralized recycling efforts. The state should be a leader in procurement of recycled products, waste reduction and recycling. This work should begin immediately and should include measures to comply with the Legislative Budget Assistant's

performance audit of DAS's Statewide Recycling Program, May 2015, to the extent the agency has not yet complied with the audit findings.²⁰ Legislation recommended to update state procurement policies, reduce solid waste and improve recycling.

- 14. Recognizing the staffing challenges this presents, the Legislature should require the Bureau to send proposed, revised composting rules to the Joint Legislative Committee on Administrative Rules (JLCAR) no later than September 30, 2020. These rules should be finalized promptly once approved by JLCAR. The state should also work to facilitate the creation of an infrastructure to promote commercial, municipal and other composting efforts. Legislation recommended to require regulations to be promulgated by September 30, 2020.
- 15. The state and private businesses should collaborate on ways to incentivize increased coordination between packaging designers, brand owners, manufacturers and waste management/recycling companies to enhance recyclability and reuse so as to reduce waste disposal, particularly with respect to plastics, including extended producer responsibility. Legislation recommended.
- 16. To assist municipalities in reducing costs associated with the management of recyclables, statewide efforts should be made to decrease related transportation costs and storage shortages for recycled materials by working to promote regional pickups and transport to recyclers, as well as the creation of an in-state MRF, perhaps through a private-public partnership. Legislation recommended
- 17. The state should try through legislation, procurement, education and otherwise to decrease the amount of plastic waste generated and disposed of in landfills, incinerators and left as litter. Every effort should be made to ensure that those plastics that are recyclable, such as HTPE and PETE, be recycled, particularly as testimony indicates that certain types are more readily recycled. Legislation recommended.
 - 18. The DOT should endeavor to use as much glass aggregate as possible in its projects, by creating a pilot project to do so, and subsequently to require a certain percentage of glass cullet to be used in state projects. The state and industry should work to create an adequate supply of PGA to ensure that the requirement is met. Legislation recommended to require DOT to promote the use of PGA, including a pilot project, ultimately ensuring PGA to be used in state projects.
- 19. State government and other private organizations should develop methods to recognize and encourage those entities that reduce, reuse and recycle products, thereby keeping them out of the waste stream.
- 20. Recognizing the value of single use plastics in certain contexts, such as healthcare, single use plastics should be regulated and reduced where possible. To promote recycling, organizations selling goods involving the use of flexible plastic film, such as single use plastic bags and

²⁰ http://www.gencourt.state.nh.us/LBA/AuditReports/PerformanceReports/DAS_2015.pdf

wraps, should provide opportunities for the collection of such plastics for recycling similar to the "return to retailer" program or WRAP (Wrap Recycling Action Program) described by the American Chemistry Council. Those that do must clarify for and educate consumers as which of those items can be recycled, thereby decreasing contamination of the recycled items and to answer a desire of the public to recycle their flexible plastic film products. **Legislation recommended.**

- 21. As major generators of various forms of solid waste, healthcare organizations should continue to seek ways to reduce consumption and increase recycling and composting. The state should work with healthcare organizations to accomplish this task, perhaps through incentivizing reduction.
- 22. Municipalities should continue to work with Regional Planning Commissions to develop better solid waste management tools. Municipalities should also consider the potential benefits of joining into solid waste districts.
- 23. School districts should consider the model used by the Somersworth Middle School to develop better systems to reduce, reuse, recycle and compost solid waste as a way of educating students, improving the environment and saving money. School districts should work with independent kitchen services organizations serving their cafeterias to reduce food waste and to operate more sustainably, including the use of reusable trays, dishes and silverware.

ACKNOWLEDGEMENTS

While the study committee did extensive work to highlight the state's increasing recycling and solid waste management challenges per its mandate, it had neither the expertise nor the time to adequately research and review this extraordinarily complex, multifaceted subject that touches every part of our society. The committee's findings and recommendations show that much more work needs to be done and hopes that this report helps lead the way. The study committee would like to thank the many, many stakeholders who shared their time and knowledge over the course of the past several weeks. It is deeply appreciated. The study committee is grateful to Waste Management for providing an informative field trip to its Turnkey landfill and Billerica MRF. The study committee would like to extend special thanks to Michael Nork, DES, Reagan Bissonette, NRRA, and Joel Anderson, NH House Committee Services, for their continual, vital support and assistance.

Appendix A

List of Those Who Provided Testimony to the Committee

First Name	Last Name	Organization
Nancy	Amato	Town of Milford
Chris	Asbell	Somersworth Middle School - Science Teacher/Project Mentor
Deb	Augustine	NH Hospital Association
Jeanne	Beaudin	Town Administrator Town of Belmont
Heather	Billings	Center for Ecotechnology (Mass.)
Reagan	Bissonette	NRRA - N.E. Resource Recovery Assn
Steve	Brewer	Town of Raymond
Bob	Cappadona	Casella Resources
Bill	Cass	NH DOT
Christine	Cassidy	DART
Chip	Chesley	City of Concord
Bonnie	Christie	Hopkinton Recycling Committee
Adam	Clark	City of Concord
Zachary	Conaway	Dartmouth-Hitchcock Medical Center
Joan	Cudworth	Town of Hollis Solid Waste Supervisor
Lisa	Drake	Stonyfield Yogurt - Director of Sustainability
John	Early	Public Works New London
Patrick	Ellis	Casella Organics
Amy	Farnum	N.H. DAS State Recycling Coordinator
Alex	Freid	Post-Landfill Action Network - Dover NH
Mark	Gomez	City of Manchester Solid Waste Mgmt Council
Matt	Hughes	Wheelabrator
Bret	Ingold	Warner Public Market
Tóm	Irwin	Conservation Law Foundation
Cheryl	Jensen	Resident Town of Bethlehem
Cordell	Johnston	NHMA
Lucas	K.	Somersworth Middle School
Aaron	Kerr	Rainbow Bridge Composting - Deerfield
Judy	Knapp	Hannaford - Government Relations Manager
Jeff	Lafleur	City of Nashua Solid Waste Supervisor
Katie	LaJoie	Resident - Charlestown, N.H.
John	LaRiviere	Wheelabrator
Chris	Lucarelle	Waste Management
Rebecca	McWilliams	Lewis Farm
Larry	Melanson	NH The Beautiful
Paula	Minnehan	NH Hospital Association
Marc	Morgan	City of Lebanon
Michael	Nork	NHDES Solid Waste Management Bureau
George	Parmenter	Hannaford - Sustainability Manager

First Name	Last Name	Organization		
Adam	Peer	American Chemistry Council		
Steve	Poggi	Waste Management		
Lynn	Rubinstein	Northeast Recycling Council		
Jessica	Saturely-Hall	Upper Valley Composting - Lebanon, NH		
Kevin	Sheppard	City of Manchester - Public Works Director		
Colleen	Smith	NH DHHS, Public Health Services, Food Protection		
Solid Waste Advisory Board		Hillsborough, Deering, Windsor		
Jon	Swan	Save Forest Lake		
Eric	Thibodeau	N.H. DOT		
John	Tuthill	Resident - Acworth, N.H.		
Zack	W	Somersworth Middle School		
Ed	Walsh	Town of Rollinsford - Transfer Station		
Duncan	Watson	City of Keene - Asst. Public Works Director		
Josh	Whipple	Swanzey Solid Waste Manager		
Paige	Wilson	Lakes Region RPC		
Michael	Wimsatt	Director, Waste Management Division - NHDES		
Barry	Zitser	Resident Bethlehem, N.H.		

Appendix B

Internet Resources Related to Solid Waste Management

Casella Organics https://www.casella.com/casella-organics

Casella Recycle Better <u>https://www.casella.com/services/recycling/recycle-better</u>

Circular Blu http://www.circularblu.com/

EPA: Food Recovery Challenge <u>https://www.epa.gov/sustainable-management-food/food-recovery-challenge-frc</u>

DES Solid Waste Bureau <u>https://www.des.nh.gov/organization/divisions/waste/swmb/index.htm</u>

Feeding America https://www.feedingamerica.org/

How2Recycle https://how2recycle.info/

Northeast Recycling Council <u>https://nerc.org/</u>

Northeast Resource Recovery Association <u>https://nrra.net/</u>

Northeast Waste Management Officials' Association <u>http://www.newmoa.org/</u>

Post Landfill Action Network https://www.postlandfill.org/

Practice Greenhealth https://practicegreenhealth.org/

Sustainable Packaging Coalition https://sustainablepackaging.org/

US Composting Council <u>https://www.compostingcouncil.org/</u>

USDA: Food Loss and Waste <u>https://www.usda.gov/foodlossandwaste</u>

Maine Composting School http://composting.org/

New Hampshire The Beautiful https://www.nhthebeautiful.org/

Zero Waste Home <u>https://zerowastehome.com/</u>

Terracycle <u>https://www.terracycle.com/en-US/</u>

Lebanon solid waste and recycling https://lebanonnh.gov/450/Solid-Waste-Recycling

Hannaford sustainability <u>https://www.hannaford.com/about-us/sustainability</u>

Stonyfield sustainability <u>https://sustainablepackaging.org/</u>

Waste Management sustainability consulting <u>https://www.wm.com/us/en/services/business-services/sustainability-consulting</u>

America's Biggest Trash Hauler Stops Shipping Plastic To Poor Countries, Huffington Post article

https://www.huffpost.com/entry/waste-management-plasticexport n 5da9ce43e4b0e0f0378ae647

Waste Management Position On Plastics http://rorr.btownwebclients.com/wp-content/uploads/2019/09/wm_01080-Plastic-Export-Policy_r1.pdf

California legislature wraps session with unprecedented recycling action, WasteDive <u>https://www.wastedive.com/news/california-legislature-wraps-session-with-unprecedented-recycling-action/563136/</u>



"Partnering to make recycling strong through economic and environmentally sound solutions"

Northeast Resource Recovery Association, 2101 Dover Road, Epsom, NH 03234 Telephone: (603) 736-4401 or 1-800-223-0150 Fax: (603) 736-4402 E-mail: info@nrra.net Web Site: <u>www.nrra.net</u>

SB 629: Establishing a solid waste reduction management fund and a solid waste disposal surcharge Senate Energy and Natural Resources Committee February 4, 2020 Hearing

> Testimony by the Northeast Resource Recovery Association Reagan Bissonnette, Executive Director

The Northeast Resource Recovery Association does not take a position on SB 629. Rather, this testimony is designed to share with the Senate Energy and Natural Resources Committee our experience supporting municipalities with their recycling and waste reduction efforts in New Hampshire as it relates to SB 629.

About the Northeast Resource Recovery Association

The Northeast Resource Recovery Association ("NRRA") is a nonprofit that enables both small and large communities to manage their own recycling programs. The membership of NRRA includes over 400 municipalities, individuals, and businesses in New England. We were founded in New Hampshire, and the majority of NRRA's municipal members are in New Hampshire. NRRA's mission is to partner with communities to make recycling strong through economic and environmentally sound solutions. We accomplish that in two ways.

First, we help communities sell their recyclables. We negotiate competitive pricing from companies who purchase recyclables and help our members sell their recyclables to those companies. NRRA is one of only a handful of nonprofits in the country that provides this type of cooperative marketing program for recyclables. As a result, we are uniquely tuned into the current recycling markets and what impact they are having on communities in New Hampshire.

Second, we provide education and technical assistance to our members in the areas of recycling and waste reduction. This includes monthly meetings for our members, a monthly newsletter, a two-day annual conference, webinars and more. The technical assistance we provide ranges from questions about whether a new type of packaging is recyclable to how to design a new recycling facility.

Why Technical Assistance Matters

Why is technical assistance for municipalities so important when it comes to recycling and waste reduction?

The recycling markets have undergone such a dramatic change in recent years that many communities are facing increased costs for their recycling programs, decreased revenue, or both. Communities with single and dual stream recycling are the hardest hit because they are outsourcing the separation of recyclable commodities to facilities that have seen their revenue from the sale of

recyclables drop after China banned the importation of many recyclable commodities beginning in 2018. Consequently, NRRA receives a tremendous number of inquiries from its municipal members about how to adjust their recycling programs to make them sustainable. In addition, the Northeast has the highest cost of disposal for municipal solid waste in the country, in large part because we have the least amount of available space for new or expanded landfills. This further increases the need for communities to receive technical assistance with waste reduction efforts so they can avoid the high cost of landfilling or incinerating their waste.

In New Hampshire, the Department of Environmental Services Solid ("NHDES") Waste Management Bureau has limited resources to provide technical assistance to municipalities about recycling and waste reduction. Solid waste operators in New Hampshire, which include the staff who run transfer stations, must complete continuing education each year to maintain their solid waste operator license. NHDES provides some excellent trainings for operators, and NRRA's educational programs also routinely qualify for continuing education credits. However, NHDES is limited in its ability to provide technical assistance to communities and often refers municipalities seeking such assistance to NRRA.

By contrast, many of our neighboring states have environmental protection agencies that provide technical assistance to their municipalities. For example, in Massachusetts, the Department of Environmental Protection has eight Municipal Assistance Coordinators who provide technical assistance on waste reduction and recycling to communities. I mention Massachusetts because here in New Hampshire, 50% of all waste disposed of in the state comes from out of state, and the majority of that out of state waste comes from Massachusetts.

SB 629 would provide the ability for NHDES to provide technical assistance to municipalities on waste reduction, including recycling.

Current Grant Opportunities in New Hampshire

There are limited grant opportunities in New Hampshire to assist municipalities with reducing their waste. New Hampshire the Beautiful, a beverage industry group, provides grants to assist communities with the purchase of recycling equipment. Grant funding may cover up to 20% of the purchase price of equipment, such as balers, roll-off containers, and other equipment to support recycling. Grant funding must be used exclusively for recycling. NRRA administers the grant program for New Hampshire the Beautiful.

By contract, in Massachusetts, communities can apply for a variety of grants to assist with a wide range of waste reduction initiatives, some up to \$150,000.

SB 629 would provide the ability for NHDES to provide grants to municipalities to further their waste reduction efforts, including recycling, but also composting and other initiatives.



The State of New Hampshire Department of Environmental Services

Robert R. Scott, Commissioner

February 4, 2020

The Honorable Martha Fuller Clark Chair, Senate Energy & Natural Resources Committee State House, Room 103 Concord, NH 03301

RE: SB 629, An Act Establishing the Solid Waste Reduction Management Fund and Establishing a Solid Waste Disposal Surcharge.

Dear Chair Fuller Clark and Members of the Committee:

Thank you for the opportunity to testify on SB 629. This bill would establish a dedicated fund to improve solid waste management in our State by providing needed support for the technical assistance, planning, and regulatory activities of the New Hampshire Department of Environmental Services (NHDES), and by providing matching grants to both municipalities and businesses for projects that advance the goals of reducing and diverting waste from disposal. NHDES supports the intent of this bill.

For the greater part of the last two decades, NHDES' solid waste management program has suffered resource deficiencies that have curtailed the agency's ability to fulfill its statutory obligations. Examples of unmet responsibilities include updating the State's solid waste management plan, revising administrative rules for composting facilities, and providing public outreach and assistance relative to recycling, waste reduction and diversion. At one time NHDES had a section devoted entirely to waste reduction, planning and community assistance. However, because NHDES' solid waste program is funded solely by general funds, those positions were incrementally eliminated due to budget constraints over the years.

New Hampshire also lags behind other states in the region relative to supporting and advancing waste recycling and diversion activities. Our neighboring states have made significantly more progress, in part, by offering grants to municipalities and businesses to support such activities and to incentivize the siting and operation of facilities that provide these services.

SB 629 aims to address these resource deficiencies by establishing a surcharge on solid waste disposed at New Hampshire's landfills and incinerators, with monies collected from the surcharge deposited into a dedicated fund. The fund will be used in two important ways. First, it will assist NHDES in addressing currently unmet needs, including long-range solid waste planning and waste reduction/diversion technical assistance. Second, it will be used to provide matching grant funding to municipalities and businesses for projects that promote waste reduction, recycling and diversion. In addition, in order to ensure that municipal waste management budgets are not adversely

The Honorable Martha Fuller Clark Chair, Senate Energy & Natural Resources Committee February 4, 2020 Page (2)

impacted, the fund will be used to provide payments to New Hampshire municipalities to offset any costs associated with the surcharge.

As members of the committee are likely aware, the Recycling & Solid Waste Management Study Committee (HB 617, Chapter 265, 2019) identified a multitude of solid waste management issues in New Hampshire that deserve attention. Unfortunately, in its current state, NHDES' solid waste program is not equipped to properly address these various issues. However, the fund proposed by SB 629 would significantly improve NHDES' ability to respond to current and future solid waste challenges, and would create dedicated resources to incentivize recycling and waste reduction efforts in New Hampshire. We look forward to working with the sponsors to address any concerns of stakeholders relative to the bill.

Thank you again for the opportunity to comment on SB 629. Should you have questions or need additional information, please feel free to contact either Michael Nork, Solid Waste Management Bureau (michael.nork@des.nh.gov, 271-2936) or Michael Wimsatt, Waste Management Division Director (michael.wimsatt@des.nh.gov, 271-1997).

Sincerely,

eth

Robert R. Scott Commissioner

cc: Sponsors of SB 629: Senators Watters, Birdsell, Fuller Clark, Kahn; Representatives Ebel, O'Connor, M. Murray, Wolf



February 4, 2020

Senator Martha Fuller Clark, Chair Senate Energy and Natural Resources Committee State House, Room 103 Concord NH 03301

Re: Comments SB 629 – Establishing the solid waste reduction management fund and establishing a solid waste disposal surcharge.

Dear Chairwoman Fuller Clark:

Casella Waste Systems is a regional solid waste resource management company serving more than 50,000 households and 5,500 businesses across 150 towns and cities in New Hampshire through collection, transfer, recycling, and waste disposal operations. We are proud to directly employ more than 175 people across our New Hampshire operations, providing an annual payroll that exceeds \$10 million.

In 2019 the North Country Environmental Services (NCES) landfill in Bethlehem safely and securely disposed of more than 200,000 tons of waste generated by New Hampshire residents, businesses, and municipalities, making NCES the leading disposal site for New Hampshire waste. More than 70 percent of the municipal solid waste accepted by NCES in 2019 (excluding cover material and special waste) originated in New Hampshire and in 2020 that projection is expected to exceed 80 percent, again leading the state. In addition to our disposal operation, we also diverted more than 40,000 tons of New Hampshire waste from NCES through our Recycling and Organics operations. We have spent the last four decades growing from a single-truck operation to a leader in the northeast in creating economically and environmentally sustainable solutions that seek to find a higher and better use for our waste.

It is with this in mind that we feel uniquely positioned to offer this letter as the company's official comments on Senate Bill 629. We appreciate the opportunity to provide this insight as we seek to help secure New Hampshire's solid waste and resource management future.

The work completed by the Recycling and Solid Waste Management Study Committee (HB 617), led by Representative Karen Ebel, has produced several bills, including this one. We applaud the efforts of the committee and its inclusion of a diverse group of people seeking real solutions to New Hampshire's disposal capacity challenge which is compounded by a lack of in-state recycling infrastructure.

Challenges like this require complex solutions, and while SB 629 may ultimately play a role in the overall solution, it is our view that it is a public policy decision and therefore we remain neutral on the issue. We have seen similar legislation in other states in which we operate, and it is important to note that while there is a mechanism to reimburse New Hampshire municipalities for the cost of the surcharge, there is no such mechanism for New Hampshire citizens and businesses whose waste disposal is not managed through the municipality in which they are located. Because we have both municipal and private customers, we think it is incumbent upon us to point out that private individual and business customers will see a disparate impact under this bill as compared to municipal customers.

We are, however, seeing municipalities abandon their recycling programs at alarming rates due to transportation costs, much of which could be controlled by an investment in processing infrastructure in New Hampshire, should SB 629 pass.

Thank you for the opportunity to provide these comments on this important issue. We look forward to continued collaboration on potential solutions to the challenges identified by the Study Committee and our continued service to the people of New Hampshire.

Sincerely, CASELLA WASTE SYSTEMS, INC.

Brian Oliver Regional Vice President

cc Senator Dan Feltes, Vice Chairman Senator Jeb Bradley Senator David Watters Senator Bob Giuda

casella.com

Voting Sheets

Senate Energy & Natural Resources Committee EXECUTIVE SESSION RECORD

2020-2021 Session

Bill#SB 629-FN

Hearing date: 02/04/2020

Executive Session date:____03/03/2020

Vote:_ 3-1 Amendmen+ 2020- 69 975 Motion of:_ Second **Committee Member** Present Made by Yes No Sen. Fuller Clark, Chair ~ 1 7 Sen. Feltes, Vice Chair ~ Sen. Watters く \checkmark . ノ Sen. Bradley Sen. Giuda

Motion of:		OTPA			Vote: <u>3-1</u>				
Committee M	Aember	Pres	ent	Mad	e by	Sec	ond	Yes	No
Sen. Füller Cl	ark, Chair	<u> </u>		<u>.</u>]		7	_	
Sen. Feltes, V	ice Chair	 ✓ 		~	·				
Sen. Watters					76 				
Sen. Bradley]	Ľ			\checkmark
Sen. Giuda									

Motion of:	Vote:						
Committee Member	Present	Made by	Second	Yes No			
Sen. Fuller Clark, Chair 🕠							
Sen. Feltes, Vice Chair							
Sen. Watters							
Sen. Bradley							
Sen. Giuda							

Reported out by: Watters

Notes:_

Committee Report

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STATE OF NEW HAMPSHIRE

SENATE

REPORT OF THE COMMITTEE

Tuesday, March 3, 2020

THE COMMITTEE ON Energy and Natural Resources

to which was referred SB 629-FN

AN ACT

establishing the solid waste reduction management fund and establishing a solid waste disposal surcharge.

Having considered the same, the committee recommends that the Bill

OUGHT TO PASS WITH AMENDMENT

BY A VOTE OF: 3-1

AMENDMENT # 1055s

Senator David Watters For the Committee

Griffin Roberge 271-7875

ENERGY AND NATURAL RESOURCES

SB 629-FN, establishing the solid waste reduction management fund and establishing a solid waste disposal surcharge.

Ought to Pass with Amendment, Vote 3-1. Senator David Watters for the committee.

General Court of New Hampshire - Bill Status System

Docket of SB629

Docket Abbreviations

Bill Title: establishing the solid waste reduction management fund and establishing a solid waste disposal surcharge.

Official Docket of SB629.:

Date	Body	Description
1/14/2020	S	Introduced 01/08/2020 and Referred to Energy and Natural Resources; SJ 2
1/29/2020	S	Hearing: 02/04/2020, Room 103, SH, 09:45 am; SC 5
3/4/2020	S	Committee Report: Ought to Pass with Amendment #2020-1055s, 03/11/2020; SC 10
3/11/2020	S	Special Order to 03/12/2020, Without Objection, MA; 03/11/2020 SJ 6
3/12/2020	S	Special Order to 03/19/2020, Without Objection, MA; 03/12/2020 SJ 7
3/12/2020	S	Committee Report: Ought to Pass with Amendment #2020-1055s SC 11
6/16/2020	S	Placed on Laid on Table Consent List and Laid on Table, MA, VV; 06/16/2020; SJ 8

NH House

NH Senate

Other Referrals

Senate Inventory Checklist for Archives

Bill Number: <u>SB 629-FN</u>

Senate Committee: Senate ENR Committee

Please include all documents in the order listed below and indicate the documents which have included with an "X" beside	been
Final docket found on Bill Status	
Bill Hearing Documents: [Legislative Aides]	
× Bill version as it came to the committee	· · ·
× All Calendar Notices	
X Hearing Sign-up sheet(s)	•
Prepared testimony, presentations, & other submissions handed in at the public hearing	lg
 X Prepared testimony, presentations, & other submissions handed in at the public hearing Hearing Report 	
Revised/Amended Fiscal Notes provided by the Senate Clerk's Office	
Committee Action Documents: {Legislative Aides}	
All amendments considered in committee (including those not adopted):	
\underline{X} - amendment # <u>04065</u> \underline{X} - amendment # <u>10555</u>	
<u>×</u> - amendment # <u>0997s</u> - amendment #	
X Executive Session Sheet	•
X Committee Report	
Floor Action Documents: [Clerk's Office]	• .
All floor amendments considered by the body during session (only if they are offered to the sen	ate):
amendment # amendment #	,
amendment # amendment #	· ·
Post Floor Action: (if applicable) {Clerk's Office}	•
Committee of Conference Report (if signed off by all members. Include any new langua by the committee of conference):	ge proposed
Enrolled Bill Amendment(e)	
Governor's Veto Message	
All available versions of the bill: {Clerk's Office}	•
as amended by the senate as amended by the house	
final version	
Completed Committee Report File Delivered to the Senate Clerk's Office By:	· .
Griffin Roberge 07-06-2020	
Committee Aide Date	•

Senate Clerk's Office