<u>сомроятіне</u> Surcharge Proposed To Deal With 'Solid Waste Capacity Crisis'

By Thomas P. Caldwell 19 hours ago



Sen. David Watters (D-Dover) testifies before the Senate Ways and Means Committee on Feb. 2. Behind him, from left, are senators Lou D'Allesandro (D-Manchester), Bob Giuda (R-Warren), Gary Daniels (R-Milford), and Erin Hennessey (R-Littleton).

By Thomas P. Caldwell, InDepthNH.org

CONCORD — <u>Senate Bill 379 (https://www.gencourt.state.nh.us/bill status/pdf.aspx?</u> <u>id=29427&q=billVersion</u>) is among more than 30 legislative bills being considered this session to deal with solid waste and pollution management. On Feb. 2, Sen. David Watters, D-Dover, appeared before the Senate Ways and Means Committee to discuss his bill, which would establish a solid waste fund supported by a waste disposal surcharge.

Watters also introduced an amendment that he said he only received at 8:30 a.m., temporarily eliminating the surcharge and instead calling for an immediate state appropriation of \$500,000 to get the program under way.

"We're not in a budget year — I get that," Watters said, "but I think this is really a special case that we have an opportunity to get this ramped up."

The program as originally drafted would establish a \$1.50 per ton surcharge on all solid waste going to landfills, incinerators, or waste-to-energy plants, except that used as cover material. The money would go into a dedicated fund that would send money back to municipalities, either as annual payments or as matching grants to enhance source reduction and recycling efforts. It also would provide money to the Department of Environmental Services to help cover administrative costs and implementation of solid waste technical assistance, planning, and regulatory activities.

"It's been clear for several years we have a solid waste capacity crisis, as DES has been projecting not too many years in the future that our existing landfills will begin to run out of space," Watters stated.

Additionally, the recycling market disappeared when China stopped accepting material, partly because popular single-stream recycling ended up contaminating recyclable material. It became cheaper for communities to pitch recyclables into the trash, leading to an increase in the amount of solid waste going to the landfills. Two years ago, the legislature established a study committee that came up with about 20 recommendations to address the capacity issue and the resulting increase in the cost of getting rid of solid waste — household trash, demolition material, and hazardous waste.

"We took an important step last year when we passed my bill as part of House Bill 315 to revive the 10-year plan for solid waste reduction, and the DES is working on that," Watters said.

"The looming crisis became really a punctuation mark with the issues around the landfill proposed for Dalton and Forest Lake," he continued.

That landfill rallied North County residents concerned about potential contamination of the lake and spread to Concord with protests outside DES headquarters.

Watters added, "I think that did a lot to get our attention, particularly the amount of solid waste that's coming from out of state."

Watters said he and Sen. Bob Giuda , R-Warren, chair of Ways and Means, had worked together on a piece of legislation that would place a surcharge on out-of-state contractors, but that bill ran afoul of the Interstate Commerce Clause, which bans discriminatory fees that interfere with trade between the states. The present bill, Watters said, was crafted to address that problem by making it an across-the-board surcharge. New Hampshire businesses and communities would be eligible for payouts from the program; out-of-state entities would not.

"It has become clear that the fee issue, though rebated to New Hampshire folks, would be problematic for getting the support of the governor and others this time around, so that's why you have a substitute amendment," Watters said. "And what that does is it takes the part of the bill that sets up the waste management fund, but it does not fund it through that tipping fee."

Questioned about what the \$500,000 would do, Watters said it would help with DES staffing as well as to have money available for communities wanting to purchase equipment such as compactors.

"There's activity now around composting, activity around plastics, a lot of activity around paper," Watters said. "So in each of these cases, municipalities come forward and get grants to get the equipment they need and set up what they need to do it."

With the amendment arriving so late, there was no opportunity to revise the fiscal note on the potential impact of the bill, and rules governing the grants — such as the percentage of the required match by communities — have yet to be written.

Natch Greyes, Government Affairs counsel for the NH Municipal Association, testified in favor of the bill, noting that funding coming from the communities would essentially be rebated to them.

Kirsten Koch, director of Public Policy for the Business and Industry Association of New Hampshire, testified against the bill as originally drafted, saying it amounts to a tax that targets commercial industry and would lead to higher costs to the business community.

"We are pleased, though, to see Sen. Watters brought forward this amendment, eliminating the tax from the bill," she said.

Mark Morgan, solid waste manager for the city of Lebanon, supported the bill, although Lebanon operates its own landfill with recycling and composting already in place.

Morgan said his city serves 21 other municipalities in the Upper Connecticut River Valley and "many of our communities are small communities that just don't have the budgets to support adding additional efforts towards reducing waste. ... Senate Bill 379, even as amended, will provide funding opportunities to allow communities to expand existing municipal recycling and waste reduction programs, or create them, for that matter."

Steve Poggi, the area director of operations for Waste Management Inc., and a member of the Solid Waste Working Group, offered general support for the bill but voiced concerns about the impact of the fee included in the original version of the bill.

"Half of the customers that we have are commercial-industrial generators," Poggi said. "For small business, \$1.50 a ton is not a lot of money, but for larger businesses, they don't have the ability to recoup those funds under the original writing of this bill."

He asked the legislators to make rebates available to them, and questioned the constitutionality of treating municipalities and businesses differently.

Michael Wimsatt of the Solid Waste Management Bureau said his office currently has five unfilled positions, some of which he expects to be able to fill in the coming weeks. He said engineers with the training necessary for the job are harder to come by, as they are in great demand. However, he did not want to take a position on the \$500,000 appropriation that potentially would help the DES.

"Essentially, what this [bill] would do is create a new grant program where none currently exists in New Hampshire," he said. "I have interacted with many of my colleagues in neighboring states, and virtually all of them have a robust grant program that is designed to incentivize recycling, incentivize waste reduction, incentivize technologies that are higher up on the waste management hierarchy than landfilling, to a point where even a minor grant program in Massachusetts on an annual basis may hand out more money to municipalities and businesses than our entire solid waste budget for the year in New Hampshire."

In addition to those testifying in person, Sen. Giuda announced that 54 people had registered online in support of the bill and one opposed it.

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