

Open Meeting
Summary
June 5, 2012
Solid Waste Advisory Board
Legislative Committee

Present were: Chair: Michael Shaw, District E

Committee Members: Ann Hamilton, District B; Lauren Hershey, District H; John Haasis, District L; Harry Rogers, District M; Mark Phillips, District T; Sue Noel, Public Representative; Patrick Geraty, St. Louis Composting

Present by Invitation: Solid Waste Industry members Derrick Standley, WCA - Waste Corporation of Missouri; David Bahrenburg, Progressive – IESI; and John McConnell, Republic Services.

Others Present: Marie Steinwachs, University of Missouri and MORA; Ruth Anne Parrott, District F; Brenda Kennedy, District D; Tim Roehl, District P; Robert Hamilton, District O; Tom Rackers; Daryl Duwe; David Berger, District L; Lynda Roehl, District P; DeAnna Trass, District H; Angie Gehlert, MORA;

Solid Waste Management Program staff: Chris Nagel, SWMP; Charlene Fitch, SWMP; Brenda Ardrey, SWMP; Cedric Cunigan, SWMP; Mary Ellen Hummel, SWMP.

Not Present: Denise Bennett, Macon County Economic Development; Lon Little, District I
Roll was called.

Approval of June agenda

Motion to approve the June agenda made by Ann Hamilton, seconded by Harry Rogers. The motion carried unanimously.

Approval of May Meeting Summary

Sue Noel moved to approve the Summary, Lauren Hershey seconded the motion. The motion carried unanimously.

Committee Discussion

The Committee continued discussion of SB 849.

The discussion at the committee's last meeting ended at 260.325 and the committee continued their discussion from that point.

260.325.3 This section removes the requirement for newly formed districts to submit to the Department a solid waste management plan within eighteen months of the formation of a district. It was thought that only 2 plans were approved before this requirement was struck down by the court as an unfunded mandate. Districts are required to do an assessment inventory which in effect becomes a planning document. Note: This section would strike lines 12-16 on page 7 of SB 849. The Chairman suggested principles be established for development of solid waste management plans. The Program Director pointed out a rulemaking would be then required for something that was previously struck down by the court. The required services assessment inventory meets the planning requirement.

260.325.3.(6) Question: What is meant by "where environmentally and economically beneficial" ; several members thought it was vague and lacked specificity. Derrick Standley spoke about how standards came to be, carbon footprint, etc. Gave an example of how transporting glass 400 miles when it could be used locally, was not environmentally beneficial. Discussion ensued about it being economically beneficial, and what differences there were in the meanings of those two – environmentally beneficial and economically beneficial. Under current Missouri law if it is diverted from the landfill, no matter the cost or environmental damage to recycle-- if it is diverted from the landfill, that is considered better. A question was raised as to "How and who would determine if it was economically or environmentally beneficial and what is the definition for that determination?" Marie Steinwachs with the University of Missouri and MORA made a comment about the

clause and that it depends on where you draw the parameters. There has to be some standard so each district doesn't do things differently. Discussion ensued about "economically beneficial", and to whom. It was mentioned there are set standards from EPA regarding carbon footprint and other standards. Mr. Standley was mainly objecting to the use of grant dollars to recycle, whether or not it was beneficial environmentally. The discussion then focused on the use of grant dollars and how grant dollars are being spent. **Table for further discussion.**

260.325.3.(8) Question: From an implementation standpoint, would this enable districts to expand their scope of authority? Mr. Standley acknowledged that was part of the thought process, if a county needs a storm water plant, the district could fund that project. He gave Branson as an example where a storm water problem exists. They would be able to petition the district for grant funds.

Industry would like to see more recycling in the form of remanufacturing in Missouri. The Chairman expressed an objection to putting any phrases or terminology in that were not defined and agreed upon prior to using it in the bill. He would like to see clean, written definitions in the law. What is the definition of the environment? Industry suggested striking the "economically" and leaving "environmentally". The Chairman recommended striking both. Industry would like to keep the language, and encouraged the districts to come up with alternative language. The industry representatives do not want to strike this subsection. The purpose of the phrase, as explained by Mr. Bahrenburg, is not to have recycling just for the sake of recycling -- no matter the cost to the environment, or to cause further degradation. Districts need to promote recycling, but not in spite of environmental degradation that outweigh the benefits garnered by recycling. In other words, don't recycle blindly with no consideration to the overall environmental consequence. There was a discussion about the various methods for determining diversion and sustainability. Brenda Ardrey suggested bringing to the next meeting some of the models to help define the phrase. Mr. Berger pointed out it may not be a legislative issue. **Table for further discussion.**

260.325.3. (9) and (12) briefly discussed - District would need to have carbon footprint model rather than a diversion model. **260.325.3. (12)** is an unfunded mandate. This language cleanup is trying to strike a provision that the court has already struck down. No one from the districts agreed to **260.325.3. (12)** Brenda Ardrey suggested pulling the Supreme Court ruling offered up regarding the case brought by the City of Jefferson. After looking at that, then consider if the language in 260.325 remains appropriate. Perhaps look to the rule, which is newer, and implement what remained after the court ruling. The rule stated that any grant that an executive board approves, can become an addendum to the plan. If the district executive board believes that a grant proposal builds on the infrastructure that it (the executive board) is trying to build for the region, that grant can be approved as an addition to the plan. **Tabled**

260.330 The industry representatives offered that the fee be taken up for review every 5 years, like every other fee within DNR. The industry representatives asked for a sunset clause rather than extending the cap into perpetuity. If the fee sunsets, then the districts would go away and not exist anymore, as well as the fund which provides for the permitting of landfills and transfer stations which would then revert back to US EPA upon sunset of the fee. (Note: There would be no new landfills in certain portions of the state (i.e., karst regions of the state.)) The Chairman expressed his opinion that the language should reflect what has just passed, although not yet signed, which would extend the cap on the tonnage fee until 2017 without a sunset provision. **Tabled**

260.335.1 A comment was made that EIARA was quoted as previously saying their job was not economic development. Industry would like to see the funds to EIARA used for economic development to get manufacturing for recycling in Missouri. EIARA is currently doing a strategic planning survey throughout the state to come up with ideas for economic development. As described, the proposed language changes who holds the money for the grants. John Haasis suggested that SWAB be added to the list for economic development. There is no grant program through DED for equipment as EIARA does, and a comment was made that they would not like to see that go away. The Chairman recommended no change in **260.335.1** until the committee receives EIARA's strategic planning response. **Table for further discussion.**

260.335.2- After determining where the funding sources (in 260.330) are being used, will then discuss this subsection. Darryl Duwe, who is a utility lobbyist, reported that in recent discussions with utilities, no one present remembered being approached about being a part of the fees which go into the fund. Mr. Standley

stated that around 2008, the utilities engaged in a discussion with DNR and included Empire, AmerenUE, , Aquila and KCP&L, at that time the utilities indicated they were willing to pay “their fair share” but the number was never determined and left open at conclusion. Derrick spoke with Warren Wood from Ameren about a seat possibly being created for utilities on SWAB and the fee issue. There was the question if the fee would have to be approved by the PSC. Not necessarily if the legislature were to enact a fee. It was thought by members of the committee that the PSC would only be involved if the utility companies wanted to raise their rates to cover the fee. The Chairman would like the section 260.335.2.(2) to be discussed with the 330 fee discussion. But, until the utilities are approached, there would be no way to know what they might be willing to contribute to the fund.. The Chairman requested to address 260.335.2.(2) and the fee structure: What are the fee revenues and where is it allocated. It is in the SWMP budget proposal that goes to the General Assembly. What costs does SWMP incur for utility waste regulation ? Yard waste and composting do not pay solid waste fees; utilities, composting, yard waste, old and closed landfills, illegal dumping, grants management, tire oversight are all served by the fund. (Note: Scrap tire oversight is paid from a separate source unrelated to the provisions of 260.330 – Scrap Tire Subaccount of the Solid Waste Management Fund (Fund 0569)).

A request was made for SWMP to provide a breakdown of costs for oversight and use of the \$2.11 fee in summary format for a 5 year period and for costs associated with permitting of landfills, transfer stations and other efforts. A request was made that SWMP submit a request to the department to allow for a meeting to be scheduled with the utilities to discuss the fee issue with them. The decision was made to **Table 260.335.2.(2)** until the information comes back and is reviewed by the committee.

260.335.2.(3), 260.335.2.(4) and 260.335.2.(5) (current) -- Page 13 of SB 849 line 66-75 struck, lines 76-84 are added (**replacement language for 260.335.2(3) and 260.335.2.(4).** **Table until funding discussion occurs.**

260.345.1. Add: and/or designated alternate, pg. 15 line 7.

260.345.2. pg. 15 line 26-28 - correct to simple majority of members, and meetings may be called by the chairperson or the Director of SWMP. Line 13-14, strike the “**solid waste**” from composting industry. Six additional members would be: One- utility, one- composting, one- recycling, one- recovery industry, 2- landfill and transfer stations, one- citizen. Since that was seven and the goal was six, **tabled the discussion of adding recycling separate from composting.**

Set New Meeting Dates

Next meeting tentatively July 10th 1:00 p.m. in conference room to continue discussion of SB 849.
Date will be emailed, time approximately 1-4 p.m.

SWAB Legislative committee will meet after each SWAB meeting in the Bennett Springs conference room.

August 1 - Bennett Springs Conference Room, 1730 E. Elm Street, Jefferson City, MO

October 3 - Bennett Springs Conference Room, 1730 E. Elm Street, Jefferson City, MO

November 7 - Bennett Springs Conference Room, 1730 E. Elm Street, Jefferson City, MO

Adjourn

Lauren Hershey moved to adjourn the meeting, Sue Noel seconded the motion. Motion carried and meeting was adjourned at 4:55 p.m.

Respectfully submitted

Mary Ellen Hummel, Secretary