

In Opposition to L.D. 259

An Act To Increase Waste Handling Fees Imposed on the Landfilling of Municipal Solid Waste and Construction and Demolition Debris

Testimony of Michael Carroll, Executive Director, Municipal Review Committee to the Environment and Natural Resources Committee March 7, 2022

Chairman Brenner, Chairman Tucker and distinguished members of the Committee on Environment and Natural Resources: my name is Michael Carroll. I am Executive Director of the Municipal Review Committee, the special purpose non-profit that 83 member towns established to represent the interests of the 115 communities that depend on the MRC to manage the complex and vital task of collecting and processing their municipal solid waste. Thank you for the opportunity to speak in opposition to LD 259, *An Act To Increase Waste Handling Fees Imposed on the Landfilling of Municipal Solid Waste and Construction and Demolition Debris*.

The Hampden solid waste processing plant will have a new owner on or before June 30 of this year. It will resume processing members' municipal solid waste soon thereafter, after a hiatus of almost two years. The slow path to ownership transfer is solely attributable to the reluctance of the bondholders, who hold sole ownership interest in the processing facility. (The MRC owns the land on which the facility was built.) It is possible, through the on-going receivership process, that the MRC may become the owner of the plant. Whatever the outcome of the receivership process, a transfer of the plant's ownership will take place on or before June 30th of this year.

During the 6-month period the plant operated successfully, it attained a waste-to-merchantable-product conversation ratio well in excess of the State of Maine's recycling target of 50%. When it is back in operation, with required process modifications, the plant will produce recycled metals and glass, plastic nuggets, commercial gas, fiber and pulp.

The MRC opposes LD 259 for the following reasons:

1. The bill is an inappropriate exercise of State Authority in that it imposes a new and higher fee structure on landfills the State of Maine does not own. Municipal, commercial, and regional association landfills must not be subject to the proposed higher fee structure. At a minimum, the bill must be amended to eliminate the latter three types of landfill from its scope.
2. During the plant closure, the MRC has been disposing of its MSW under by-pass arrangements with Waste Management at the Crossroads Landfill in Norridgewock and with PERC in Orrington. About 75% of its MSW is going to PERC; 25% is going to the landfill. The by-pass will cease, of course, when the plant is back in operation. Based upon our operating experience prior to the closure, we know that about 20% to 25% of residual MSW will be sent to the landfill after the plant in Hampden reopens. 75% to 80% will be sold as recycled products, and we expect the percentage of MSW being

converted to merchantable products to increase as we fine-tune our operation and create new products from our communities' waste streams. LD259's fee increases will represent a significant cost to the MRC's community members, who, when the plant is back up and operating, will be recycling a far greater percentage of their MSW than non-member communities. In effect, LD259 will impose a burden, I call it "exacting a price", on MRC Communities because, when the plant in Hampden reopens, MRC communities will be far more effective recyclers than other towns and cities in the State of Maine.

3. The proposed fee structure is misguided and will not accomplish its purpose as regards the MRC and its members. It will impose on the residual, landfilled MRC tonnages of MSW what is, in effect, a levy of between \$500,000 and \$700,000 per year. This will unnecessarily add to the MRC's cost of doing business and, ultimately, put pressure on the costs of the recycled products the MRC sells. In short, LD259 will put the MRC at a competitive disadvantage in the recycled products markets. We would think that's the last thing a strong recycling program would want to do. The goal of recycling must be to pull materials from the waste stream, repurpose them and market them at a competitive price. Maine should not adopt bills that increase the costs of MRC's operation by imposing a levy on the relatively small amounts of landfilled residuals that its efficient and effective MSW processing operation yields.
4. Finally, we are concerned for our members, especially our smaller rural communities, because they will have to treat the additional charges for Construction Demolition Debris, for example, as a pass-through. Instead of incentivizing more appropriate methods of CDD disposal, LD259 will actually encourage the backyard burning of CDD, increasing releases of toxins into the air. Or, alternatively, it will encourage people to get rid of their Construction Demolition Debris by throwing it into the woods.

The MRC has no quarrel with the goals of LD259. The State of Maine must make every effort to reduce, reuse and recycle and to extend the useful lives of its landfills. We believe the best way to do that is, *first*, to foster Maine's competitive position in the recycling market, not to impose costs that put Maine's recycling industry at a disadvantage and *second*, to recognize, not penalize, processes that reduce the tonnages of residuals that end up in landfills. Please do not recommend LD259 to Maine's legislators.