



**Testimony Neither for Nor Against LD 259,  
“An Act to Increase Waste Handling Fees Imposed on the Landfilling of  
Municipal Solid Waste and Construction and Demolition Debris”**

*Sarah K. Nichols, NRCM Sustainable Maine Director, March 7, 2022*

Senator Brenner, Representative Tucker, and members of the Joint Standing Committee on Environment and Natural Resources, my name is Sarah Nichols, and I am the Sustainable Maine Director for the Natural Resources Council of Maine (NRCM). I appreciate this opportunity to testify neither for nor against LD 259.

This bill rightfully targets the root causes of our waste crisis: the economics of who pays for it, and how much. The primary reason why we have too much waste, too much landfilling, and not enough recycling is because the price signals support that outcome. These are three primary ways that the economics of waste are working against us:

- 1) **Cost externalization:** This is when the costs of waste management are unfairly put on the backs of taxpayers and future generations, and not on the producers of the waste. This leads to a lot of waste destined for the landfill because there is no incentive to make less, or more recyclable waste in the first place. This is why NRCM strongly supports Extended Producer Responsibility (EPR) laws.
- 2) **Landfilling is too cheap:** The waste problem created by cost externalization is then compounded because the least expensive way to manage waste is often to dispose of it in a landfill or incinerator. Our towns are faced with a tough decision to either raise taxes to support their recycling programs, or pay less to dispose of it in a landfill or incinerator.
- 3) **Corporations that profit from landfilling:** There are companies that earn huge profits from landfill disposal; the higher the volume, the higher the profits. These companies have deep pockets and hire lobbyists to fight against good public policies aimed at reducing waste and landfilling in our state.

NRCM generally supports policies that increase the cost of landfilling relative to waste reduction, reuse, and recycling—which this bill would do. However, we are testifying neither for nor against this legislation because we are not certain that raising disposal fees on Municipal Solid Waste (MSW) is the right approach at this time, and we are concerned about the perverse incentives created by the Construction and Demolition Debris (CDD) disposal fees.

The disposal fees on MSW are currently at \$1/ton and are proposed to increase to \$5/ton. These fees support the State’s very successful Solid Waste Diversion Grant Program, which has helped to reduce waste in the state. But those fees are generally paid by municipal taxpayers, and we do not believe that now is a good time to raise costs for the towns.

However, we would support an increase in the MSW fee when Maine’s new EPR for Packaging program is implemented. At that time, Maine’s municipalities will be reimbursed for the cost of managing packaging by the producers of the waste, and there will be more opportunities to avoid

paying the disposal fees because there will be more ways to reduce, reuse, and recycle. We applaud the Committee for passing this transformative policy and look forward to seeing it in action.

LD 259 also proposes to increase disposal fees on CDD waste from \$2/ton to \$10/ton. These funds are currently earmarked to reimburse municipalities for the costs of landfill closures, which is slow going and desperately needed. This one is tricky, because we are intent on reducing the CDD waste going to Maine's landfills, and if that happens then this fee likely will need to be increased to make up for lost revenue.

But this bill also draws attention to the perverse incentives created by disposal fees: we have set up a system where we rely on a steady stream of funds for things we want to do (i.e., reimburse towns for landfill closure costs) from something we are trying to stop doing (i.e., landfilling CDD). We suggest that the Committee explore alternative sources of funding to support reimbursement for towns of costs of landfill closures. But in the meantime, we wouldn't be opposed to an increase in CDD fees to make up for any lost revenue should CDD disposal in the state be significantly reduced in the near future.

Thank you very much for your time and consideration of these comments. I would be happy to answer any questions.