Department of Legislative Services

Maryland General Assembly 2015 Session

FISCAL AND POLICY NOTE

Senate Bill 509 (Senator Hough, *et al.*) Education, Health, and Environmental Affairs

Northeast Maryland Waste Disposal Authority - Purpose, Appointments, and Compensation

This bill alters the purpose of the Northeast Maryland Waste Disposal Authority (NMWDA) by removing references to assisting participating entities with the generation of energy and adequate waste disposal and, instead, including references to assisting those entities with promoting or encouraging resource management and resource retrieval programs, the implementation of a zero waste hierarchy, and the establishment of resource recovery parks. The bill defines "resource recovery park" and "zero waste hierarchy." The bill also requires the Governor, rather than NMWDA, to appoint an executive director and a general counsel (or provide for alternative legal services), both of which are to serve at the pleasure of the Governor, rather than NMWDA. Finally, the bill requires NMWDA to recommend to the Governor the compensation for the executive director and any general counsel, rather than allowing NMWDA to determine compensation.

Fiscal Summary

State Effect: None.

Local Effect: The bill does not directly affect local operations or finances, although any change to the level of compensation of the executive director or general counsel of NMWDA may minimally impact the budget of NMWDA and, consequently, the dues paid by member jurisdictions. Additionally, the bill's change to the stated purpose of NMWDA could indirectly lead to a change to the types of projects that receive planning and development assistance provided by NMWDA.

Small Business Effect: None.

Analysis

Bill Summary: The bill defines "zero waste hierarchy" as the hierarchy adopted by the Zero Waste International Alliance, which assesses (1) the carbon life of materials; (2) the energy used to extract virgin resources; (3) the energy used to manufacture a product; and (4) the energy used to transport a product to market.

Although the bill alters the purpose of NMWDA, it does not otherwise affect NMWDA powers or the types of projects that may be financed or operated.

Current Law: Chapter 871 of 1980 established NMWDA and codified the General Assembly's statement of purpose regarding NMWDA. This statement includes the mission for NMWDA to improve health and living conditions in the State through the efficient collection and disposal of waste on a regional basis and the generation of energy and recovery of useable resources from such waste to the extent practicable. The statement also tasks NMWDA with providing for adequate waste disposal facilities (including those which provide for energy generation and resource recovery) and facilities for the generation of steam, electricity, or other forms of energy from fuels derived from or related to waste disposal facilities.

NMWDA is required to appoint, subject to the approval of the Governor, an executive director, who may not be a member of NMWDA. NMWDA may also appoint, subject to the approval of the Governor, a general counsel, either on a full-time or part-time basis, or it may otherwise provide for necessary legal services. Both the executive director and the general counsel serve at the pleasure of NMWDA.

NMWDA member jurisdictions include Anne Arundel, Baltimore, Carroll, Frederick, Harford, Howard, and Montgomery counties and Baltimore City. According to the NMWDA website, NMWDA plans and develops waste management systems that meet the highest environmental standards while providing the most efficient and reliable waste disposal services possible.

Background: According to the California Department of Resources Recycling and Recovery (CalRecycle) a resource recovery park refers to the colocation of reuse, recycling, compost processing, manufacturing, and retail businesses in a central facility. It is a place where the public can bring all wastes and recoverable materials to a single facility. CalRecycle has identified several existing and planned facilities that it considers to be examples of resource recovery parks.

According to the Zero Waste International Alliance: "Zero Waste is a goal that is ethical, economical, efficient and visionary, to guide people in changing their lifestyles and practices to emulate sustainable natural cycles, where all discarded materials are designed SB 509/ Page 2

to become resources for others to use. Zero Waste means designing and managing products and processes to systematically avoid and eliminate the volume and toxicity of waste and materials, conserve and recover all resources, and not burn or bury them. Implementing Zero Waste will eliminate all discharges to land, water, or air that are a threat to planetary, human, animal or plant health." According to the website of the Zero Waste International Alliance, the alliance disagrees with the traditional pollution prevention hierarchy, and has adopted its own zero waste hierarchy that "starts with the premise of Reduce, Reuse and Recycle and then highlights that recovering energy is only acceptable using systems that operate at biological temperature and pressure, such as sustainable biodiesel from used vegetable oils or biologically or chemically producing ethanol from urban wood, biosolids, manures or food scraps." The last step is landfilling of waste.

The Maryland Department of the Environment (MDE) published a final greenhouse gas reduction plan in July 2013 pursuant to the Greenhouse Gas Reduction Act of 2009 (Chapters 171 and 172). The extensive plan includes numerous strategies, programs, and initiatives that, in combination, are projected to achieve a 25% reduction in greenhouse gas emissions from 2006 levels by 2020. One of the major strategies included in the plan is a "zero waste" initiative, which is estimated to provide 8.7% of the emissions reductions – the fourth largest component of the plan.

In December 2014, MDE released its zero waste plan to eliminate the need for disposal of solid waste and to maximize the amount of treated wastewater that is beneficially reused. Specific actions listed in the plan include encouraging food donation, phasing in a commercial/institutional ban on disposal of organic materials, and encouraging anaerobic digestion (a form of energy recovery from waste). Executive Order 01.01.2015.01 states that "Maryland shall endeavor to ensure that all waste generated in the State is increasingly reduced and reused rather than discarded in a manner that adversely impacts our health and environment." The executive order also requires MDE to provide local governments with information on alternatives to landfilling.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Harford County, Maryland Department of the Environment, Comptroller's Office, Northeast Maryland Waste Disposal Authority, Zero Waste International Alliance, California Department of Resources Recycling and Recovery, Department of Legislative Services

First Reader - February 20, 2015 **Fiscal Note History:**

min/lgc

Direct Inquiries to: (410) 946-5510 Analysis by: Evan M. Isaacson

(301) 970-5510