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## DIVISION OF SOLID WASTE & RECYCLING

Phillip S. Harris, Director

## HB 1139 - Solid Waste Disposal and Diversion and On-Farm Composting and Compost

**DATE:** March 8, 2023

**COMMITTEE:** House Environment and Transportation Committee

**POSITION:** Letter of Information

**FROM:** Phil Harris, Director, Division of Solid Waste & Recycling,

Frederick County Government

Thank you for your consideration of HB 1139 – Solid Waste Disposal and Diversion and On-Farm Composting and Compost Use. As the Director of the Division of Solid Waste & Recycling in Frederick County, I am writing to provide additional information regarding the potential impact of HB 1139.

There are many potential benefits to the creation of an On-Farm Composting and Compost Use Grant Fund. However, the creation of a mandatory statewide solid waste disposal surcharge could have a significant impact on county revenues and costs. Frederick County's location, bordering both Virginia and Pennsylvania, makes our jurisdiction uniquely vulnerable to lost revenues due to haulers taking their waste to out-of-state facilities that do not levy a \$2 surcharge. Frederick County facilities are allowed to only accept waste from Frederick County and nowhere else. However, haulers have a choice as to where they haul waste for disposal, meaning our competitiveness as a facility is largely dependent on the cost to haulers.

Two of the largest haulers in Frederick County are Republic Services and Waste Management. Republic Services has a large transfer station outside Leesburg, VA, and is only forty-five minutes away from most of Frederick County. Waste Management has a landfill outside Greencastle, PA, and is only about an hour away from most of Frederick County. A \$2 per ton surcharge will likely incentivize haulers to take the waste collected in Frederick County to their out-of-state facilities. This loss of volume would significantly impact revenues for Frederick County's Division of Solid Waste and Recycling.

Additionally, if HB 1139 were adopted, haulers could cite a change in the law to justify passing costs back to Frederick County Government and/or their individual customers. This would result in higher fees for constituents.

To mitigate the unintended impacts of HB 1139 on county governments, we recommend the committee consider some changes to the bill. Amendments that exclude certain activities would help reduce the increased costs and lost revenue. We recommend the following:

• Exclude recycling collection and transport to Materials Recovery Facilities (MRF) or Markets;

- Exclude waste transportation from the SW System to another SW System for final disposal;
- Exclude haulers that the local government Solid Waste systems are paying for services;
- Exclude Recycling from the Definition of Solid Waste in this subtitle.

While these amendments may mitigate the financial impact of this bill on local governments, this policy may still cause some haulers to haul their waste out of state for lower prices, resulting in less revenue for Frederick County's Division of Solid Waste & Recycling in Frederick County.

Thank you for the opportunity to provide information on HB 1139 on behalf of Frederick County Government.

Respectfully,

Phil Harris

Director, Division of Solid Waste & Recycling

Frederick County Government

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