Department of Legislative Services

Maryland General Assembly 2001 Session

FISCAL NOTE

Senate Bill 121 (Senator Green) Economic and Environmental Affairs

Environmental Matters

Transfer Stations - Solid Waste Plans - Permits

This bill prohibits the Secretary of Environment from issuing a permit for a transfer station until the county in which the transfer station is located has amended its solid waste plan to include the transfer station and has held a hearing on the amendment during the 12 months before the permit application is filed.

Fiscal Summary

State Effect: The Maryland Department of Environment (MDE) did not provide any information regarding the impact of this bill. It is assumed that the bill would not materially affect State operations or finances.

Local Effect: The bill's impact is anticipated to vary from county to county. In most counties, the bill's requirements should have minimal or no impact. In others, the bill could result in an increase in administrative expenditures. To the extent that the bill results in the delay in the construction or expansion of a transfer station, affected jurisdictions could incur significant increases in expenditures and decreases in revenues. **The bill may impose a mandate on a unit of local government**.

Small Business Effect: Potential meaningful.

Analysis

Current Law: A person must have a permit issued by MDE before the person installs, materially alters, or materially extends a "refuse disposal system." The term refuse

disposal system includes an incinerator, a transfer station, a landfill system, a landfill, a solid waste processing facility, and any other solid waste acceptance facility.

MDE may not issue a permit to install, materially alter, or materially extend a refuse disposal system until: (1) it has completed its technical review; (2) it has reported the findings of the review to the affected county; and (3) the county has completed its review of the proposed refuse disposal system and has provided to MDE a written statement that it meets all applicable county zoning and land use requirements and is in conformity with the county solid waste plan.

Background: A transfer station is a place or facility where waste materials are taken from one collection vehicle (e.g., compactor trucks) and placed in another transportation unit (e.g., over-the-road tractor-trailers, railroad gondola cars, barges or ships) for movement to other solid waste acceptance facilities. Recently, concern has been expressed regarding the location of certain proposed transfer stations.

Local Fiscal Effect: Under current law, before MDE issues a permit for a transfer station, the county in which the transfer station is located must review the system and provide MDE a written statement that it meets all applicable county zoning and land use requirements and is in conformity with the county solid waste plan. Under this bill, a county would also be required to amend its solid waste plan to include the transfer station and hold a hearing on the amendment in the 12 months before the permit application is filed. The fiscal impact of the bill will vary by county depending on the county's current plans for the construction or expansion of transfer stations as well as the county's current practices with respect to transfer station review.

In most counties, the bill is not expected to materially affect local operations or finances. For example, Carroll, Harford, and Queen Anne's counties all report that the bill is anticipated to have minimal or no effect because the bill's requirements are not substantially different from current practice or because they do not anticipate any applications for transfer station permits to be submitted. Legislative Services advises, however, that in some counties, the bill's requirements could result in an increase in administrative expenditures in the event that an application is filed. For example, Montgomery County reports that expenditures could increase by approximately \$25,500 to amend its solid waste plan and hold hearings on any amendments.

To the extent that the bill results in the delay in the construction or expansion of a transfer station, affected jurisdictions could incur significant increases in expenditures related to transporting solid waste to other facilities. Should other facilities in those jurisdictions not be able to accommodate all of the diverted waste, the bill could result in a decrease in revenues for those jurisdictions and an increase in revenues for jurisdictions where the waste is delivered.

For example, Prince George's County amended its solid waste plan in 1998 to include a proposed transfer station near Bowie State University. Public hearings were held on the amendments. The application for a transfer station was submitted to MDE in July 2000. Should MDE issue a permit prior to the effective date of this bill, the bill's changes should not materially affect the county's finances. Should, however, the bill go into effect prior to the issuance of the permit, the county would have to hold a public hearing and resubmit the application for a permit, resulting in a potentially significant delay in the construction of the transfer station. According to Prince George's County, any such delay would result in an increase in expenditures of an estimated \$900,000 to accommodate additional waste at an existing landfill, as well as an increase in transportation costs. The county also advises that a delay would result in a decrease in revenues of an estimated \$1 million annually related to solid waste transported to facilities in other jurisdictions or outside of the State.

Small Business Effect: To the extent that the bill increases the cost of solid waste management in a given jurisdiction, small businesses using county landfills and resource recovery facilities in that jurisdiction could incur increased expenditures for transporting waste to those facilities. To the extent that an applicant for a transfer station permit is a small business and the issuance of the permit by MDE is delayed as a result of this bill, the bill could result in a significant decrease in revenues for the applicant.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Carroll, Harford, Montgomery, Prince George's, and Queen

Anne's counties; Department of Legislative Services

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