

Department of Legislative Services
Maryland General Assembly
2016 Session

FISCAL AND POLICY NOTE

Third Reader - Revised

Senate Bill 105

(Chair, Education, Health, and Environmental Affairs
Committee)(By Request - Departmental - NE Maryland
Waste Disposal Authority)

Education, Health, and Environmental Affairs

Environment and Transportation

Northeast Maryland Waste Disposal Authority - Name and Authority

This departmental bill changes the name of the Northeast Maryland Waste Disposal Authority (NMWDA) to the Maryland Regional Resource Management Authority. The bill also expands the definition of “project” to include a “resource recovery park,” which authorizes NMWDA to acquire, construct, reconstruct, rehabilitate, improve, maintain, equip, lease, and operate a resource recovery park. NMWDA must, to the extent determined practicable by the authority board or the appropriate county, use the “zero waste hierarchy” defined in the bill when taking an authorized action regarding a resource recovery park under the bill.

Fiscal Summary

State Effect: None.

Local Effect: The bill does not directly affect local operations or finances. However, the expanded definition of “project” under the bill could result in a change in the types of projects that receive planning and development assistance from the authority.

Small Business Effect: NMWDA has determined that this bill has minimal or no impact on small business (attached). The Department of Legislative Services concurs with this assessment. (The attached assessment does not reflect amendments to the bill.)

Analysis

Bill Summary: A “resource recovery park” is defined as a facility or property that is used, is useful, or has the capacity to be used for a variety of specified environmental activities that promote resource management and resource retrieval. Among others, these activities include (1) processing, exchanging, reclaiming, and recycling materials into useful products or materials; (2) generating, storing, or distributing renewable energy (including solar) if that energy is going to be sold to a resource recovery park or another project; and (3) educating the public about resource management practices and recovery or recycling business opportunities or careers.

“Zero waste hierarchy” means a progression of methods, policies, and strategies of materials management ranked in the following order of priority: (1) source reduction; (2) reuse; (3) recycling; (4) composting; (5) energy recovery; and (6) disposal.

Current Law: Chapter 871 of 1980 established NMWDA and codified the General Assembly’s statement of purpose regarding NMWDA, including 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. NMWDA member jurisdictions include Anne Arundel, Baltimore, Carroll, Frederick, Harford, Howard, and Montgomery counties and Baltimore City.

NMWDA is tasked 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 authorized to exercise a broad range of powers to carry out its purpose and to implement projects including (1) selling, leasing, and purchasing property; (2) borrowing money and issuing bonds to pay all or part of a project; and (3) making or entering into contracts with any government (state or federal) or with any subdivision or person within or without the State of Maryland.

Background: NMWDA advises that it has been unable to assist with certain projects such as solar facilities on nonwaste disposal sites and activities such as retail outlets for recycled products because “resource recovery park” is not included in the definition of “project.” Without this authorization, NMWDA is unable to finance projects to acquire, construct, and operate the various components of a resource recovery park. A resource recovery park, which is a new development in recycling, broadly refers to the co-location 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. Resource recovery parks may allow for greater capture, reuse, and recycling of waste materials. According to the California Department of Resources Recycling and

Recovery, a resource recovery park helps participating businesses by matching one company to the resource needs of another and should allow for many small operators.

The Maryland Department of the Environment (MDE) is currently working to eliminate the need for disposal of solid waste as part of its zero waste plan. The zero waste plan is one of MDE's major strategies to reduce emissions as required by the Greenhouse Gas Reduction Act of 2009 (Chapters 171 and 172). 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, which also addresses Maryland's zero waste goal, 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): Northeast Maryland Waste Disposal Authority, Maryland Department of Agriculture, Maryland Department of the Environment, Department of Natural Resources, Maryland Energy Administration, Public Service Commission, California Department of Resources Recycling and Recovery, Department of Legislative Services

Fiscal Note History: First Reader - January 15, 2016
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ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES

TITLE OF BILL: Northeast Maryland Waste Disposal Authority – Name and Authority

BILL NUMBER: SB 105

PREPARED BY: M. Catherine Coble, Director of Finance and Administration

PART A. ECONOMIC IMPACT RATING

This agency estimates that the proposed bill:

WILL HAVE MINIMAL OR NO ECONOMIC IMPACT ON MARYLAND SMALL BUSINESS

OR

WILL HAVE MEANINGFUL ECONOMIC IMPACT ON MARYLAND SMALL BUSINESSES

PART B. ECONOMIC IMPACT ANALYSIS