Approved: 3-15-94

Date

MINUTES OF THE SENATE COMMITTEE ON ENERGY AND NATURAL RESOURCES.

The meeting was called to order by Chairperson Don Sallee at 8:00 a.m. on March 8, 1994 in Room 423-S of the Capitol.

All members were present or excused:

Committee staff present: Raney Gilliland, Legislative Research Department

Dennis Hodgins, Legislative Research Department

Don Hayward, Revisor of Statutes Clarene Wilms, Committee Secretary

Conferees appearing before the committee:

Senator Janis Lee

Burke B. Bayer, President, Bayer Construction, Manhattan

William Bider, Director, Bureau of Waste, KDHE

Others attending: See attached list

SB-669 - differential permit fee schedule for construction and demolition waste landfills

Senator Lee related to the committee that previous legislation passed allowed Kansas Department of Health and Environment to charge up to \$2,000 for the annual renewal fees for landfills and that a small private landfill's charges in her area had jumped from \$50 to \$500. There are 10 private construction demolition landfills, each having a flat fee of \$500 for the yearly renewal fee.

Senator Lee stated <u>SB-669</u> provided a differential fee scale depending upon the volume. The department suggested an amendment that if under a thousand tons per year the fee be \$100 and over a thousand tons per year it be \$500. Senator Lee stated preference for the differential fee schedule which allows some leeway rather than have set amounts in the statutes. She felt the philosophy of a sliding fee scale for usage should be considered rather than charging small and large users like fees. It would appear small landfills would not take the same amount of oversight.

Burke B. Bayer, President, Bayer Construction, Manhattan, told the committee he supported <u>SB-669</u>. Mr. Bayer stated their company actually worked in both categories, most of the work under the \$100,000 limit providing some economic benefit for the community. Mr. Bayer stated that in his opinion this bill would encourage the smaller potential landfills to be opened.

William Bider, Director, Bureau of Waste Management, KDHE, appeared before the committee stating his department's support of <u>SB-669</u> stating they felt that rather than place limits in statute it would be best to study the issue and establish a differential fee schedule. <u>Attachment 1</u> He further commented that the data base on construction and demolition landfills is not very good, that such landfills have not previously been required to report tonnage to the department and the information available has been compiled recently using the \$1.50 tipping fee information submitted.

Mr. Bider told the committee that because the construction and demolition landfills do not report their tonnage to the department the department anticipated revising the regulation so that only waste subject to the tipping fee will be considered when determining facility size for the purposes of the sliding fee schedule. Mr. Bider commented that it was felt the fiscal impact would be small since only the private landfills pay this fee.

Discussion followed and Mr. Bider was asked why this could not be done by rules and regulations. Mr. Bider stated this issue developed prior to his appointment to the department and the amount was derived by figuring the cost of processing a renewal due to site inspections, review of financial assurance paper work

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON ENERGY AND NATURAL RESOURCES, Room 423-S Statehouse, at 8:00 a.m. on March 8, 1994.

with no effort made to distinguish between large and small operations. Mr. Bider further stated that federal regulations do not presently address construction and demolition landfills. The department feels the need to do a better job of tracking such facilities.

A member commented that some landfills are not now accepting asphalt shingles which have been removed from roofs of homes. He also noted communication with the Kansas Department of Transportation which could use asphalt shingles in asphalt, also the use of shredded rubber from tires. It was suggested there needed to be more communication and cooperation between various departments of the government. Mr. Bider stated there might not be enough cooperation but one of his staff regularly speaks to someone at KDOT, possibly not the right person.

Mr. Bider stated that they were increasing their investigation on the general concept of trying to recycle construction demolition waste, one of which was asphalt shingles.

A member stated that crumb rubber cannot be produced cheap enough in Kansas, that large amounts were imported from out of state for Kansas highways. Mr. Bider stated an attempt is being made to establish a business to deal with old tires which can be processed and used for landfill cover as part of the closure.

Mr. Bider stated they were making the effort to prevent tires being put into landfills and were encouraging the new Osage Tire business in northeast Kansas and the operation of shredded tires.

A member stated the hope that the department, when setting the fee schedule, would not start with a \$500 fee and go up, also that the proposed regulations be made available for their information.

There was further discussion concerning storage of uncut tires and how to make them retrievable for later use. The comment was made that the supply was such that it really wasn't necessary to store tires. Markets need to be developed locally rather than those which require transport. Some in state markets presently are too expensive to use while those out-of state seem to be less expensive to use.

There was discussion concerning the potential of amending <u>SB-669</u> into <u>HB-2561</u> and deal with the bill in conference committee due to the possibility the House might not deal with a Senate bill this late in the session. Since <u>HB-2561</u> will be heard tomorrow, March 9, it was decided to deal with the Senate bill and then possibly hold it on the floor.

<u>Senator Lee moved to pass SB-669 favorable for passage</u>. <u>Senator Hardenburger seconded the motion and the motion carried.</u>

Senator Morris, with a second from Senator Tillotson, moved approval of the minutes of February 21, 22 and 23. The motion carried.

The meeting adjourned at 8:44 a.m.

The next meeting is scheduled for March 9, 1994.

SENATE COMMITTEE ON ENERGY & NATURAL RESOURCES

(PLEASE PRINT) IAME AND ADDRESS **ORGANIZATION**

State of Kansas



Department of Health and Environment

Testimony presented to

Senate Energy and Natural Resources Committee

by

The Kansas Department of Health and Environment

Senate Bill 669

KDHE supports the changes proposed in the solid waste statutes by Senate Bill 669. This bill would require the secretary to establish differential solid waste permit fees for construction and demolition (C & D) landfills based upon the volume of waste disposed of at the landfills. Upon passage, the solid waste permit fee regulations (K.A.R. 28-29-84) will be amended to provide for variations in construction and demolition landfill permit renewal fees based upon the volume of waste disposed.

Currently, C & D landfills do not report their total waste disposal volumes to KDHE. The only waste quantity records which must be maintained are related to waste which is subject to the \$1.50 per ton tipping fee. Many exempt wastes are routinely disposed of at C & D landfills including clean rubble, trees and brush, wastes generated by units of local or state government, and even some wastes generated by special military projects. Rather than increase the recordkeeping burden on these facilities, KDHE anticipates revising the regulation so that only waste subject to the tipping fee will be considered when determining facility size for the purposes of the sliding fee schedule. The appropriate annual renewal fee would be based upon the tipping fee reports submitted with payments to KDHE in the preceding calendar year.

This bill will cause a very minor fiscal impact on state programs. Permit fees are only paid by private permit applicants, thus the permitted landfill universe is small. In total, there are about 10 private C & D landfills. Only 3 or 4 of this group are small landfills likely to be eligible for reduced annual permit renewal fees. Even if the permit renewal fee was dropped for all 10 private landfills from the current fee of \$500 per year to \$100, the total fiscal impact would only be \$4000 per year. This is insignificant compared to the total amount deposited annually into the Solid Waste Management Fund, which includes the \$1.50 per ton tipping fee. Overall, about \$4 million per year is received into this fund.

Testimony presented by:

William L. Bider

Director, Bureau of Waste Management

March 8, 1994

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