

SB

436

COMMITTEE REPORT

SENATE

FURTHER: Finance

2/12/80

Date: 2-17-80

Mr. President:

COMMUNITY & REGIONAL  
AFFAIRS

The Committee on \_\_\_\_\_ has had SB 436  
grants for solid waste processing or disposal facilities

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass  do not pass
- do pass with attached amendments(s)
- replace with CS for \_\_\_\_\_  same title  
 new title
- and recommends \_\_\_\_\_
- AND attaches a "Letter of Intent"  New Fiscal Note
- reports it back without recommendation
- referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

MEMBERS HAVING  
OTHER RECOMMENDATIONS:

W. K. P. C.  
Patrick D. ...  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
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\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

CHAIRMAN

Twila,

The revision can correct typos, but not until after the committee has passed it out.

A sponsor substitute is another method but is costly since printing is required. My advice:

thank DEC for their careful attention, I have made a note in the file and will fix

it the next time I get my hands on it.

JL Babler

See also - suggested questions

SB 436

CONSIDER COMMENTS MADE BY BILL DRAFTER - CS?

*+ amend  
-AML*

→ AMENDMENT NEEDS TO BE MADE - Page 1, line 28  
change (e) to (d)

1. How many municipalities have applied and how many municipalities have accepted responsibility of solid waste disposal facilities?

2. Are second class cities intended also? Or just municipalities?

3. Dept. prepared to deal with questions of appropriate and alternative technology?

4. <sup>Dept.</sup> Solid waste disposal plan - briefly?

Federal mandate? How long have you been working on it? Deadline or completion date ~~mandate~~

How many people ~~involved~~ working on this plan?

Apparently they have been working on plan - which is still not finalized. As assistant planner, has been doing work with no supervision and is constantly pulled for other work. (are 2 years past deadline)



Official Business

# Alaska State Legislature

## Senate Committee on Community & Regional Affairs

Pouch V  
State Capitol  
Juneau, Alaska 99811

February 11, 1980

TO: SENATOR BOB MULCAHY  
VICE-CHAIRMAN  
SENATOR TIM KELLY  
SENATOR TERRY STIMSON  
SENATOR PAT RODEY  
SENATOR BILL RAY  
All interested parties

FROM: SENATOR ARLISS STURGULEWSKI AS  
CHAIRMAN

SUBJECT: COMMITTEE MEETING - BUTROVICH RM., #207, Capital Building

TUESDAY, FEBRUARY 12, 1980 - 1:30 p.m.

SB 259 - AN ACT RELATING TO HISTORICAL DISTRICTS

✓ SB 342 - AN ACT PROVIDING FOR THE ISSUANCE OF GENERAL OBLIGATION BONDS IN THE AMOUNT OF \$25,520,000 FOR THE PURPOSE OF PAYING THE COST OF CAPITAL IMPROVEMENTS FOR WATER AND SEWER SYSTEMS: AND PROVIDING FOR AN EFFECTIVE DATE

DISCUSSION - Increase in state participation, municipal sewer/water facilities.  
Additional state participation in solid waste/resource recovery systems.

SB 436

# Committee Log Book - 1979

Tape Number IX

Senate CPA - Chairman Sturgulinski  
 Side Number ① & ②

Committee

Dates 2-19-80 to —

Mbrs. Present: Sen. Kelly, Rodey, Stinson

Absent: " Mulcahey

Bill Numbers Discussed

SB									
16									

Date & Time	Tape Meter Number	Bill	Significant Information (Witness, Action)
1:30 2-19-80	000	SB 16	start - Chairman Sturgulinski gave summary
	100		Madilyn Miller, AML - large Full Funding - Rev. Shaping
	154		Sen. Stinson Question 1 - Full Funding & 3? Rev. Shaping
	196		Sen. Kelly - Gardner's HB 192
	218		Sen. Rodey
	289		Palmer Mc Carter - Dept CPA
	335		Sen. Stinson - Rd mile Estimate Cost
	364		Sen. Kelly - Hold until other revenue sharing bill rec'd.
	390		" Rodey - concurred
	384	CS SB 436	Sen. Sturgulinski - Summary
	467		Sen. Kelly - "Do Pass"
			Senators Rodey & Sturgulinski Concurred
	470	SB(ES) 131	Sen. Sturgulinski - Summary
	564		Keith Kelton, Dept. Environ. Conservation re Committee intent "Construction"
	593		Sen. Kelly - pipe distribution purposes
	620		Sen. Sturgulinski - will request a legal opinion & forward to Finance

(over)

Keith Kelton (cont'd)

629 \_\_\_\_\_ Sen. Roddy - Basically rural program?

660 <sup>"CS"</sup> SB131 VAN 099? Keviel So.borough

684 Kelly move "Do Pass with individual recommendation"

Roddy, Stinson "Do Pass"

697-SB408

Jeff Haynes - Dept. Nat. Resources

841

Sen. Kerttula

Side 2

200

Palmer, McCarter - Dept. C/RA

229

Jeff Haynes - Dept. N. R.

289

Sen. Stinson

350

Mtg. adjourned. (Agreement to hold bill for further input from DNR)



# Committee Log Book - 1980

Senate CIRA

Tape Number IV

Side Number 1 & 2

Dates 2-14-80 to     


Committee  
 Mbs. Present: Chairman Sturgulewski  
                   Senators Kelly & Stinson  
 " Absent: Senators Roddy & Kelly

Bill Numbers Discussed

SB	SR (OS)	No. Discussed	Total No.						
436	131	SB 348-354							

Date & Time	Tape Meter Number	Bill	Significant Information (Witness, Action)
2-14-80	1:20	SB 436	Commissioner Mueller / Dept. Environmental Conservation
	3:19	"	Jimmy Mitchell / AML
	3:22		Dave Walsh
	6:35		Keith Keltner - Dept. Environmental Conservation
	6:47		Encl.
	6:76	SB 348	John Port Dept. Labor - Circus Lines
	8:55		Marie Magalhães - Deputy Commissioner / Dept. CIRA
Side 2	8:41		Mitch Brice - Anchorage Municipality
	0:20	SB 349	Jimmy Mitchell / AML
	2:00		Senator Kelly - Announcement to draw as - then have work session / no. 11
			Mem. Agreement to interview new
			Approved Bill / Committee Bill to SB 348





Committee Substitute for Senate Bill 131 presently reflects:

1. Title and body contents of SB 342
2. \$10 million G.O. Bond increase - covering solid waste facilities, plus new wording when relating to same.
3. \$ 6 million G.O. Bond increase - raising State share from 50% to 75%

Committee Substitute for Senate Bill 436 presently reflects:

1. Page 1, line 10, section 1 - new wording (per Dept. Environmental Conservation request) to incorporate the raising of the State share from 50% to 75%
2. Amending typewriter error, page 1, line 28 to read (d) instead of (e)
3. Page 2, Line 21, Section 5 - adding a new paragraph stating "solid waste" definition as stated in HB 353, (per D.E.C. request and in answer to Mr. Baldwin's concern, our bill drafter.)

STATE OF ALASKA  
THE LEGISLATURE

POUCH Y - STATE CAPITOL  
JUNEAU ALASKA 99811  
907 465 3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

February 7, 1980

SUBJECT: Grants for solid waste disposal and processing facilities (Work Order No. 7932)  
TO: Senator Arliss Sturgulewski  
FROM: James L. Baldwin *James L. Baldwin*  
Legislative Counsel

58436

You will find enclosed the bill you requested concerning grants for solid waste processing or disposal facilities. The draft submitted for my review was very well done but there are some points that need further review:

*See Commissioner Mueller, DEC ignore*

(1) The bill in section 5 adds some new definitions which are applicable to AS 46.03 but the terms "solid waste disposal facility" and "solid waste processing facility" seem partially included in the definitions of the term "treatment works" found in AS 46.03.900(21). This multiplicity of definitions may be warranted or it may cause confusion for the Department of Environmental Conservation when it seeks to exercise jurisdiction over a solid waste disposal or processing facility under any provision of AS 46.03; and

*See Attached definition insert as part of 'CS' 58436*

(2) This bill, and AS 46.03 do not contain a definition of the term "solid waste." This term is already used in AS 46.03 without definition and I am worried that the absence of a definition may leave open the question of which type of waste facility qualifies for a grant under AS 46.03 since that chapter also contains definitions for "sewerage", "other waste" and mentions, but does not define, the term "industrial waste".

Perhaps these points should be discussed with the municipalities concerned and the Department of Environmental Conservation before this bill is introduced.

JLB:jjr

Enclosure

1 ment works, and treatment works serving as a public utility under AS  
2 42.05.701(2)(C);

3 (22) "radiation" means all atomic and electronic product  
4 radiation;

5 (23) "radiation source" means any substance, machine, or  
6 electronic product which emits radiation;

7 (24) "schedule of compliance" means a schedule of remedial  
8 measures including an enforceable sequence of actions or operations  
9 leading to compliance with an effluent limitation, other limitation,  
10 prohibition, or standard;

11 (25) "sewage" means the water-carried human or animal  
12 wastes from residences, buildings, industrial establishments, or other  
13 places, together with ground water infiltration and surface water as  
14 may be present; the admixture with sewage of industrial wastes or  
15 other wastes is "sewage";

16 (26) "sewer system" or "sewerage system" means pipelines or  
17 conduits, pumping stations, and force mains, and all other appurtenant  
18 constructions, devices, and appliances used for conducting wastewater  
19 to a point of ultimate disposal;

20 (27) "solid waste" means all unwanted, abandoned, or dis-  
21 carded solid or semi-solid material whether putrescible or non-putres-  
22 cible, originating from any source including but not limited to gar-  
23 bage, paper, wood, metal, glass, plastic, rubber, cloth, ashes, litter  
24 and street sweepings, dewatered sewage sludge, dead animals, offal,  
25 junked vehicles and equipment, material and debris resulting from con-  
26 struction or demolition projects or logging operations, abandoned and  
27 decaying structures, hazardous wastes, mine wastes, gravel pit, quarry  
28 and dredge spoils, and overburden except that originating from the  
29 construction of single buildings;

105" SB 436

1 (28) "treatment works" means a plant, disposal field, la-  
2 goon, pumping station, constructed drainage ditch or surface water in-  
3 tercepting ditch, incinerator or other works installed or used for the  
4 purpose of treating, neutralizing, stabilizing or disposing of waste-  
5 water;

6 (29) "wastewater" means sewage, waterborne industrial  
7 waste, laundry liquid effluent, shower or sink water, or other wastes  
8 which are waterborne or in a liquid state;

9 (30) "water quality standard" means the measure of purity  
10 or quality of water, the maintenance of which is necessary to assure  
11 the water's integrity for its reasonable and appropriate use as estab-  
12 lished by the department;

13 (31) "water" includes lakes, bays, sounds, ponds, impound-  
14 ing reservoirs, springs, wells, rivers, streams, creeks, estuaries,  
15 marshes, inlets, straits, passages, canals, the Pacific Ocean, Gulf of  
16 Alaska, Bering Sea and Arctic Ocean, in the territorial limits of the  
17 state, and all other bodies of surface or underground water, natural  
18 or artificial, public or private, inland or coastal, fresh or salt,  
19 which are wholly or partially in or bordering the state or under the  
20 jurisdiction of the state; the term includes all water subject to  
21 federal jurisdiction under the Clean Water Act.

22 \* Sec. 18. AS 46.03.180 is repealed.

23 \* Sec. 19. The amendment of AS 46.03.850(f), in sec. 15 of this Act,  
24 has the effect of changing Rule 45(a)(2), Rules of Appellate Procedure, by  
25 requiring appeals from administrative decisions made under AS 46.03.850(e)  
26 to be brought within 10 days rather than the 30 days allowed by Rule 45(a)(2).

27 \* Sec. 20. Sections 1, 4, 5, 6, 7, 8, 9, 11, 16, 17, and 18 of this Act  
28 take effect upon approval of the state's National Pollutant Discharge Elim-  
29 ination System program by the administrator of the United States Environ-

POSITION PAPER

ON SENATE BILL 436

by

ERNST W. MUELLER

COMMISSIONER OF ENVIRONMENTAL CONSERVATION

before the

SENATE COMMITTEE ON COMMUNITY & REGIONAL AFFAIRS

February 14, 1980

*6 to 8 million in additional bonds - \$6  
addl share for these state/local projects.*

The Department of Environmental Conservation wishes to go on record supporting S.B. 436, which amends AS 46.03.030 to include grant funding for solid waste facilities. It is estimated that an additional \$10 million will be required in S.B. 131 should this amendment be adopted. It is my understanding that S.B. 131 has been amended to handle this increased grant burden. The Department endorses the concept of adding solid waste facilities to our grants program if adequate funding is provided. The attached fiscal note, while written for what is now designated S.B. 131, would apply to S.B. 436 as well. This note requests \$82,700 to cover the costs for an engineering position and an administrative assistant to handle the increased grants load.

*Wanted solve problems*

*I would not support areas where Fed. have  
projects - Fed. project so they should own  
responsibility*

Since the effective date of S.B. 436 is July 1, 1980, and bonds authorized by voter approval of S.B. 131 would not be available until the end of 1980, an appropriation will be necessary if any solid waste facilities are to be started this year. It is estimated that an appropriation of \$2.5 to \$3.0 million would be adequate.

As written, S.B. 436 provides for 50 percent State funding for the eligible costs of water, sewerage and solid waste facilities. In the case of solid waste facilities, provision has been made to increase the grant to 60 percent if the facility were to incorporate some form of resource recovery. Contact with the Alaska Municipal League indicates that the League is supporting an amendment to increase State grant participation from 50 to 75 percent for water and sewerage projects not receiving federal grant assistance. The Department does not strongly object to this increase, but we do wish to point out some items the Committee should be aware of in making a decision on the proposed amendment.

- 1) Our experience with EPA projects which receive a total state/federal grant of 87.5 percent shows that a much higher state involvement is required to administer those projects. This is partially due to increased federal regulations but also from decreased participation by the grantee when local contributions are reduced to a small fraction of

the total cost. If this amendment were to be adopted, it is expected that the Department's involvement would need to be increased to protect the State's investment. It is estimated that additional staff would be required. We would prefer to retain our present level of involvement and staff size.

2) With State grants of 75 percent available there may be a marked decrease in the interest of communities to seek federal matching funds for projects - particularly when they are accompanied by voluminous regulations and requirements. The supplanting of federal funds with State dollars will result in an undermined increase in the need for State bond funds. The EPA grants to Alaska for sewerage projects currently average \$18 to \$20 million per year. This would be a large deficit to make up with State funds.

3) It is suggested that should the Committee choose to amend S.B. 456, increasing State grants to 75 percent, an upset limit be included. It is suggested that the total of State/federal project participation not exceed 87.5 percent (the present limit on EPA financed projects). The following wording is

suggested to amend Section 1 of S.B. 436 should the Committee desire to amend the State percentage of contribution:

*delete and replace w/CS being new sect. 1*

*SB 436*

Section 1. AS 46.03.030 (b) is amended to read:

(b) The department may grant to a municipality, as funds are available, up to [THE LESSER OF 50] 75 percent of [THE] eligible costs [COST OR 50 PERCENT OF THE ELIGIBLE COST] not financed by the federal government, for public water supply, treatment and distribution systems and public sewage collection, treatment and discharge facilities for which construction has not commenced on or before [JUNE 21, 1976] July 1, 1980. However, for no project for which there is Federal participation shall the State grant exceed an amount which will result in the total of State and federal grant funding exceeding 87.5 percent. The eligible cost of a project or portions of a project will be as determined by the federal agency granting the most monetary assistance. On projects or portions of projects, for which federal participation is not available, eligible costs will be determined by the department in accordance with (d) of this section.

It is anticipated that the immediate effect of the change to .75 percent funding would be an additional \$6.0 to \$8.0 million for the two-year period requested in S.B. 131. (5)

Thank you for this opportunity to provide comments on S.B. 436. I would be glad to provide any further information you may need.

THE LEGISLATURE OF THE STATE OF ALASKA  
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. S.B. 436  
 Title An Act relating to grants for solid waste processing or disposal facilities: etc.  
 Requested by Kerttula Date February 12, 1980

II. FISCAL DETAIL

Agency Affected Department of Environmental Conservation  
 Program Category Affected Facility Construction and Operation Section  
 BRU, Program, or Subprogram(s) Affected Environmental Quality Operations  
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

		Assumes annual inflation of 8%					
		FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100	PERSONAL SERVICES	66.7	72.0	77.6	84.0	90.7	97.6
200	TRAVEL	2.0	2.2	2.4	2.6	2.8	3.0
300	CONTRACTUAL	4.5	4.9	5.2	5.7	6.1	6.6
400	COMMODITIES	1.0	1.1	1.2	1.3	1.4	1.5
500	EQUIPMENT	2.5	2.7	2.9	3.1	3.3	3.5
600	LAND & STRUCTURES						
700	GRANTS, CLAIMS, ETC.						
<b>TOTAL</b>		<b>82.7</b>	<b>86.6</b>	<b>93.5</b>	<b>101.1</b>	<b>109.1</b>	<b>117.5</b>

FUNDING (Thousands of Dollars)

GENERAL FUND	82.7	86.6	93.5	101.1	109.1	117.5
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	2.0	2.0	2.0	2.0	2.0	2.0
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

If S.B. 436 is adopted, authorizing the award of solid waste construction grants, it will be necessary to amend S.E. 131 to add an additional \$10.0 million to cover the increased grants burden. Also an additional \$2.5 to \$3.0 million appropriation will be needed to cover the award of grants from the July 1, 1980 effective date through the time when bond funds are approved for use. Should S.B. 436 be amended further to increase the grant percentage to 75% this fiscal note will need to be amended.

IV. DATE February 14, 1980 PREPARED BY Keith Melton  
 AGENCY Alaska Department of Environmental Conservation  
 Original: Legislative Finance PHONE 465-2610  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)

*This became SB 436*

*Draft - Given by AML  
Ginny Clitwood*

*AS done by Lovett  
& DEC*

*To be introduced  
as Senate Bill*

ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION

DRAFT AMENDMENTS TO AS 46.03.030: GRANTS AND LOANS  
FOR WATER SUPPLY AND SEWERAGE SYSTEMS

The title of AS 46.03.030 is amended to read:

"Sec. 46.03.030. Grants [and loans] for water supply, [and] sewerage and solid waste facilities [systems].

AS 46.03.030(b) is amended to read:

(b) The department may grant to a municipality, as funds are available, up to [the lesser of] 50 per cent of [the] eligible costs [or 50 per cent of the eligible cost] not financed by the federal government, for public water supply, treatment and distribution systems and public sewage collection, treatment and discharge facilities for which construction has not commenced on or before June 21, 1976. The eligible cost of a project or portions of a project will be as determined by the federal agency granting the most monetary assistance. On projects or portions of projects, for which federal participation is not available, eligible costs will be determined by the department in accordance with (e) [(d)] of this section. Projects shall be constructed in accordance with plans and specifications approved by the department.

AS 46.03.030(c) is amended to read:

(c) There is a water supply, [and] sewerage and solid waste facilities [systems] fund created in the department to carry out the purposes of this section.

AS 46.02020(d) is deleted and replaced with a new subsection to read:

"(d) The department may grant to a municipality as funds are available, up to 50 percent of eligible costs not funded by the federal government for solid waste processing or disposal facilities, or portions of such facilities, for which construction has not commenced on or before July 1, 1980; except that grants up to 60 percent of eligible costs not funded by the federal government may be awarded for those portions of solid waste processing or disposal facilities which provide for resource recovery. The eligible cost of a solid waste processing or disposal facility will be as determined by the federal agency granting the most monetary assistance. On facilities or portions of a facility for which federal participation is not available, eligible costs will be determined by the department in accordance with (e) of this section. Projects shall be constructed in accordance with plans and specifications approved by the department.

AS 46.03.030 is amended by adding a new subsection to read:

(e) The department shall, by regulation, identify those costs which will be considered eligible costs for the purposes of this section. Eligible costs shall include those contracted costs necessary for construction of a project, but do not include costs of interest and financing, right-of-way acquisition costs, and costs related to operation, maintenance, repair or replacement of a project.

AS 46.03.900 is amended by adding the following new definitions to read:

- ) "Resource recovery" means the recovery of materials or energy from solid wastes to be used in manufacturing, agriculture, heat production, power production, or other productive processes or purposes; includes the reuse of materials or products to conserve natural resources.
- ) "Solid waste disposal facility" means any facility for which the primary purpose is to discharge, deposit, inject, consolidate, or place solid wastes into or onto the land; including but not limited to transfer stations and sanitary landfills.
- ) "Solid waste processing facility" means any facility for the purpose of extracting materials, volume reduction, conversion to energy, or other separation and preparation of solid waste for reuse or disposal of solid wastes; including but not limited to incinerators, shredders, balers, and transfer stations.

Effective date: July 1, 1980

FISCAL NOTE

To be included in the bill:

"There is appropriated the sum of \_\_\_\_\_ to fund grants for solid waste processing or disposal facilities."

Resources needed for the Department to process grant applications relative to solid waste processing and disposal facilities:

Personal Services	66.7
Administrative Assistant (R-12 @ \$1628/mo x 12 x 1.26)	24.6
Environmental Engineer III (R-19 @ \$2652/mo x 12 x 1.26)	40.1
Travel	8.0
Contractual	4.5
Commodities	1.0
Equipment	2.5
	<hr/>
TOTAL	82.7