

**HB**

**4180**

# HOUSE COMMITTEE REPORT

FILE

(11)

Date Referred: March 7, 1990

FURTHER REFERRALS:

Date of Committee Action: 3/12/90

The FINANCE Committee considered:

HB 480

HOUSE BILL NO. 480 LOANS FOR SOLID WASTE MANAGEMENT

"An Act authorizing loans for solid waste management projects from the clean water fund."

### RECOMMENDATIONS:

- be replaced with CS AB 480 (CIRA)  the same title
- have attached amendment(s)  a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the \_\_\_\_\_ Committee

ADOPTS: \_\_\_\_\_ letter of intent

ATTACHES NEW FISCAL NOTE(S): (Dept) APPROVES PREVIOUS: (Date/Dept)

- fiscal impact \_\_\_\_\_  fiscal note(s) \_\_\_\_\_
- zero fiscal note \_\_\_\_\_  zero fiscal note(s) \_\_\_\_\_
- zero with analysis \_\_\_\_\_  zero fn/analysis 3/7/90/ DEC

### SIGNING DO PASS:

[Signature] Hoffman  
[Signature] Swackhammer  
[Signature] Brown  
[Signature] Koponen  
[Signature] Umer

### SIGNING: (Check approp. column)

	Do Not Pass	No Rec	Amend
<u>[Signature]</u> Larson	X		
<u>[Signature]</u> Barnes	X		
<u>[Signature]</u> Rieger		✓	

[Signature] Larson  
 Co-Chairman's Signature  
[Signature] Hoffman

STATE OF ALASKA  
1990 LEGISLATIVE SESSION

66 No. 1  
BILL VERSION: CSHB 480(C&RA)  
PUBLISH DATE: HOUSE 3/7/90

FISCAL NOTE

REQUEST:

Revision Date: \_\_\_\_\_ Agency Affected: Environ Conservation  
 Title: An Act authorizing loans for BRU: Facility Construction &  
solid waste management Operation  
 Sponsor: Representative Boyer Components: Facility  
 Requestor: H. Community & Regional Affairs Construction & Operation

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	0.0	0.0	0.0	0.0	0.0	0.0
SUPPLIES	0.0	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND&STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS,CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
REVENUE	0.0	0.0	0.0	0.0	0.0	0.0

FUNDING: (Thousands of Dollars)

GENERAL FUND	0.0	0.0	0.0	0.0	0.0	0.0
FEDERAL FUNDS	0.0	0.0	0.0	0.0	0.0	0.0
OTHER	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME	0.0	0.0	0.0	0.0	0.0	0.0
PART-TIME	0.0	0.0	0.0	0.0	0.0	0.0
TEMPORARY	0.0	0.0	0.0	0.0	0.0	0.0

ANALYSIS: (Attach a separate page if necessary)

The department does not require any additional operating revenues to administer this program. To make the loan program possible will require capitalization by the Legislature. The department has currently identified approximately \$20 million in community solid waste needs.

Prepared by: Gary Hayden  
 Division: Facility Construction & Operation

Phone: 465-2610  
 Date: 2/15/90

Approved by Commissioner: AD Kyle  
 Agency: Department of Environmental Conservation

Date: 2/15/90

Distribution (by preparer) :  
 Legislative Finance  
 Legislative Sponsor  
 Requestor  
 Office of Management and Budget  
 Impacted Agency(ies)

Adopted

Original sponsor(s): REP. BOYER, Brown, Ulmer, Finkelstein, Ellis,  
Koponen, M.Davis, Kubina, Goll, Menard, Jacko

1 IN THE HOUSE BY THE C&RA COMMITTEE

2 CS FOR HOUSE BILL NO. 480 (C&RA)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act authorizing loans for solid waste management  
7 projects from the clean water fund."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 \* Section 1. AS 46.03.032(d) is amended to read:

10 (d) Except as otherwise limited by federal law, the Alaska clean  
11 water fund may be used for [THE FOLLOWING:]

12 (1) buying or refinancing treatment works and solid waste  
13 management debt obligations of municipalities;

14 (2) planning, designing, building, constructing, and reha-  
15 bilitating facilities associated with solid waste management and  
16 public sewage collection, treatment, and discharge facilities;

17 (3) constructing, equipping, modifying, improving, and  
18 expanding solid waste management and public water supply, treatment,  
19 and distribution systems;

20 (4) guaranteeing or purchasing insurance for public agency  
21 obligations related to solid waste management and treatment works  
22 construction.

23 \* Sec. 2. AS 46.03.032(j) is amended to read:

24 (j) A loan made by the department must be made according to the  
25 standards, criteria, and procedures established by regulations under  
26 this section. In making a loan from the Alaska clean water fund for a  
27 solid waste management facility, the department shall give priority to  
28 a project that will alleviate severe health or environmental concerns  
29 in the community or region proposing the facility. In addition, the

1 department may consider

2 (1) the extent of local or regional support for the pro-  
3 posed facility; and

4 (2) the extent to which the applicant can demonstrate that  
5 the full range of solid waste management options has been reasonably  
6 considered and that the proposed facility is consistent with the  
7 promotion of the solid and hazardous waste management practices in the  
8 following order of priority:

9 (A) waste source reduction;

10 (B) recycling of waste;

11 (C) waste treatment; and

12 (D) waste disposal.

13 \* Sec. 3. AS 46.03.032 is amended by adding a new subsection to read:

14 (o) In this section, "solid waste management facility" includes  
15 capital improvements and equipment used for the purpose of solid and  
16 hazardous waste source reduction, recycling, treatment, or disposal.

# **ALASKA CLEAN WATER FUND**

- STATE REVOLVING LOAN FUND**
  
- AVAILABLE TO INCORPORATED MUNICIPALITIES**
  
- PURPOSE TO HELP THROUGH LOW INTEREST LOANS CONSTRUCTION OF:**
  - \* Water Supply Facilities**
  
  - \* Wastewater Treatment Facilities**

# HISTORY

- 1972 FEDERAL CLEAN WATER ACT SET UP A FEDERAL CONSRUCTION GRANTS PROGRAM FOR WASTEWATER TREATMENT
- ALASKA COMMUNITIES HAVE RECEIVED OVER \$177 MILLION IN GRANTS
- CURRENT FEDERAL AUTHORIZATION FOR PROGRAM IS \$2.4 BILLION
- \* ALASKA'S ANNUAL ALLOTMENT HAS BEEN ABOUT \$14 MILLION
- 1987 CONGRESS AMENDED CLEAN WATER ACT
- \* PHASED OUT GRANT PROGRAM
- \* REPLACED WITH STATE LOAN PROGRAMS
- \* CONGRESS PROVIDED CAPITALI-ZATION MONEY TO START STATE FUNDS
- \* FEDERAL GRANT & 20% STATE MATCH

## **ALASKA'S RESPONSE**

- **1987 SB 167 ESTABLISHED THE ALASKA CLEAN WATER FUND**
- **CAPITALIZATION OF FUND**
  - \* **FEDERAL GRANT**
  - \* **STATE MATCH**
  - \* **STATE APPROPRIATIONS**
- **ALASKA'S PROGRAM IS BROADER THAN FEDERAL**
  - \* **FEDERAL LIMITED TO WASTEWATER TREATMENT**
  - \* **STATE PROGRAM COVERS WATER SUPPLY FACILITIES IN ADDITION TO WASTEWATER**
- **FEDERAL/STATE MATCH PROJECTS CARRY MANY MORE ADMINISTRATIVE PROCEDURES AND REQUIREMENTS**

## **PROGRAM SPECIFICS**

- **TYPES OF ASSISTANCE**
  - **LOANS**
  - **REFINANCING (LIMITED)**
  
- **20 YEAR AMORTIZATION PERIOD**
  
- **INTEREST RATES KEYED TO MUNICIPAL BOND INDEX**
  - **66% OF INDEX**  
**1992**
  - **75% OF INDEX**
  
- **COMMUNITY MUST IDENTIFY A DEDICATED SOURCE OF REVENUE FOR PAY BACK OF LOAN**

# **STATUS REPORT**

## **- FEDERAL/STATE MATCH PROGRAM**

- \* Required 20% state funds appropriated**
- \* Program reviewed and approved by EPA**
- \* First \$10 million grant agreement signed**
- \* 18 AAC 76 regulations adopted**
- \* Expect first two loans soon**
- \* Completing other in-house activities**
- \* Communities indicate \$96 million in needs**

**- STATE APPROPRIATION**

- \* 18 AAC 77 regulations adopted**
- \* Zero balance, no funds appropriated**
- \* Communities' response indicates interest in over \$40 million for projects**

2/15/90

### HB 480 - Loans for Solid Waste Management

Under HB 480, the Alaska Clean Water Fund, established by the legislature in 1987 to finance water and wastewater treatment facilities through low interest loans, would be expanded to finance solid waste facilities.

Communities could borrow funds to develop solid waste facilities (e.g., landfills, incinerators) as well as finance recycling equipment (e.g., balers, glass crushers).

In awarding loans for solid waste management facilities, the Department of Environmental Conservation would consider

- the extent to which the proposed solid waste facility met the needs of multiple communities; evidence of local support;
- the number of individuals that would benefit from the proposed solid waste facility;
- the severity of environmental or public health concerns relating to existing solid waste management practices; and
- the extent to which the applicant can demonstrate that the full range of solid waste management options have been reasonably considered and that the proposed solid waste facility is consistent with the promotion of solid waste management practices in the following order of priority:
  - waste source reduction
  - recycling
  - waste treatment
  - disposal

TO: Representative Kay Brown  
FROM: Eric F. Myers *efm*  
DATE: 4/22/89  
SUBJ: DEC Clean Water Fund

In 1972, the federal Clean Water Act established a federal construction grants program for wastewater treatment facilities. Since its inception, Alaska communities have received over \$177 million in grants.

In 1987 the US Congress amended the Clean Water Act to phase out the existing grants program and replace it with state low interest loan programs. Congress also offered capitalization funding for the state loan programs, provided a 20% state match. In response, the Alaska legislature enacted SB 167 to establish the Alaska Clean Water Fund.

When SB 167 was passed, the legislature chose to establish two distinct accounts within the Alaska Clean Water Fund:

- a "federal account" - this account responds to the Congressional amendments to the Clean Water Act and serves as a repository for the federal funds and the required state match - can only be used to finance wastewater treatment projects; and
- a "state account" - funded entirely with state funds - can be used for broader purposes than the federal account, including water supply facilities in addition to wastewater facilities

Assistance under the Alaska Clean Water Fund is only available to municipalities. The types of assistance under the Alaska Clean Water Fund are the same for both the federal account and state account and include:

- loans, and
- refinancing (limited)

**Terms of the loans:**

- 20 year amortization
- interest keyed to municipal bond index
- community must identify dedicated revenue stream to pay back loan

After the state established the the federal account, the department has received \$10 million from the feds and the state match has been funded. Communities have indicated a demand of \$96 million for financing from the "federal account".

The state account has never been capitalized and presently has a zero balance. Communities have indicated a demand of approximately \$40 million for financing from the "state account".

Representative Leman has proposed capitalizing the "state account" in the amount of \$10 million. A copy of the community requests to DEC for financing through the "state account" is attached showing in excess of \$10 million for Anchorage alone.

**FY 90 CAPITAL BUDGET REQUESTS  
ALASKA CLEAN WATER FUND LOAN PROGRAM**

<b>ED</b>	<b><u>Community</u></b>	<b><u>Project Name:</u></b>	<b><u>Amount</u></b>	<b><u>Cumulative</u></b>
1	Ketchikan	STP Upgrade	200,000	200,000
2	Craig	Water Treatment Plant	200,000	400,000
2	Yakutat	Water & Sewer Project	558,000	958,000
4	Juneau	Back Loop I- Water	2,951,200	3,909,200
4	Juneau	Indian Point - Water	2,034,900	5,944,100
4	Juneau	West Valley Industrial - Water	404,600	6,348,700
4	Juneau	Back Loop II - Water	1,571,500	7,920,200
4	Juneau	Crow Hill Reservoir & Pump Station	3,143,000	11,063,200
4	Juneau	Lena Point - Water	3,094,000	14,157,200
5	Homer	Spit Waterline	660,531	14,817,731
7	Anchorage	Various Water Projects	4,747,000	19,564,731
7	Anchorage	Anchorage Wastewater Projects	5,794,091	25,358,822
16	Matsu Borough	Houston Septage Station	150,000	25,508,822
20	Fairbanks	East Side Water Replacement - Phase	1,000,000	26,508,822
20	Fairbanks	Ht Temp/Wste Heat Recovery	432,500	26,941,322
20	Fairbanks	Septage Receiving Station	210,000	27,151,322
20	Fairbanks	E.M. Jones Sewer & Water Extension	4,500,000	31,651,322
20	Fairbanks	Industrial Prk Water & Sewer	850,000	32,501,322
20	Fairbanks	Infiltration/Inflow Reduction	750,000	33,251,322

**TABLE II**

**FY 90 CAPITAL BUDGET REQUESTS  
ALASKA CLEAN WATER FUND LOAN PROGRAM**

<u>ED</u>	<u>Community</u>	<u>Project Name:</u>	<u>Amount</u>	<u>Cumulative</u>
20	Fairbanks	Ft. Wainwright Interceptor Rehab. Ph II	250,000	33,501,322
20	Fairbanks	International/ Industrial Ave Sewer	625,000	34,126,322
20	Fairbanks	Techite Sewer Pipe Replacement - Ph	2,000,000	36,126,322
20	Fairbanks	Davis Rd. Sewer and Water Extension	800,000	36,926,322
22	North Slope Borough	Pt. Lay Public Facilities Water &	150,000	37,076,322
22	North Slope Borough	Pt. Hope Restroom Upgrade for	150,000	37,226,322
22	North Slope Borough	Wainwright Washeteria Upgrade	375,000	37,601,322
22	North Slope Borough	Kaktovik Public Facilities Water	125,000	37,726,322
23	Nome	Icy View Water & Sewer, Nome STP	1,450,000	39,176,322
26	Bristol Bay Borough	King Salmon Sewer	4,144,000	43,320,322

FE/start  
bill file  
bill going  
in or  
Wed.

# IMPROVING ALASKA SOLID WASTE MANAGEMENT

## Proposals for the 1990 Legislative Session

**Step 1. Adopt a Preferred Management Hierarchy for Solid Waste Management, as follows: waste reduction is the first priority, recycling/reuse is second, waste treatment is third, and lastly disposal.**

### **Step 2. Promote Hierarchy through State & Local Planning**

Establish State Goals and Objectives for Reduction, Recycling & Solid Waste Management

Provide Financial & Technical Planning Assistance for Local Communities/Regions

Promote Consideration of the Preferred Hierarchy in Solid Waste Permitting Process

### **Step 3. Promote Hierarchy at the Consumer Level**

Develop Public Education Efforts (e.g. School Recycling Award Program)

#### Areas for Study & Possible Future Action

*Ban Specific Products*

*Promote Collection of Recyclables - e.g. a "Bottle Bill"*

*Promote Separate Mgt. of Troublesome Wastes - e.g. deposits on car batteries*

*Strengthen Markets for Goods Containing Recyclables - e.g. surcharges on use of virgin materials*

*Restrict on Disposal Options*

*Ensure Labelling to Facilitate Recycling & Better Consumer Decisions*

### **Step 4. Promote Hierarchy within State Agencies**

Establish State Procurement Preferences & Purchase Requirements

Implement State Agency Waste Reduction and Recycling

### **Step 5. Provide Financial Assistance for Comprehensive Solid Waste Management**

Expand Authority in Clean Water Fund for Financing Local Solid Waste Management & Recycling Capital Facilities

Adequately Fund:

- 50:50 Matching
- Village Safe Water
- Clean Water Fund for Local Solid Waste Management & Recycling Capital Facilities

Provide Financial Support through Existing Mechanisms for Community-Based Solid Waste Management & Recycling Operating Costs

January 30, 1990

### Waste Reduction/Recycling School Awards Program

A Waste Reduction/Recycling Awards program is established.

- In consultation with the Commissioner of Education, the DEC develops an awards program to recognize waste reduction and recycling efforts in the state's schools grades kindergarten through high school.
- DEC develops guidelines for school waste reduction and recycling program and provides technical assistance upon request concerning opportunities to reduce and recycle waste generated in administrative offices, classrooms, laboratories, cafeterias, and maintenance operations.
- In evaluating school waste reduction and recycling programs, DEC may group schools according to geographic location, student population, distance to recyclable markets, or other appropriate criteria.
- Annual recognition awards (maximum \$10,000) are made to the school or schools that have achieved the highest level of waste reduction and recycling.

### Expanding the Clean Water Fund to Include Solid Waste

∴ The Alaska Clean Water Fund, established by the legislature in 1987 to finance water and wastewater treatment facilities through low interest loans, would be expanded to finance solid waste facilities:

- Communities could borrow funds to develop solid waste facilities (eg, landfills, incinerators) or acquire recycling equipment (eg, paper balers, glass crushers).
- As a condition of the loan, applicants would demonstrate consideration of the preferred hierarchy of solid waste management: waste source reduction first, recycling and reuse second, waste treatment third; and disposal last.
- In awarding loans for solid waste management facilities, the department would consider the extent to which the facility met the needs of multiple communities; evidence of local support; number of individuals benefitting; and the severity of environmental or public health concerns relating to existing solid waste management practices.

## What Happens to Our Garbage?

Currently, only 11 percent of the nation's waste is recycled. Most of the rest is put in landfills.

	Million tons per year	Percent
Material Recycling	17	11
Incineration with Energy Recovery	10	6
Incineration without Energy Recovery	5	3
Landfilling, Other	126	80
<b>Total</b>	<b>158</b>	<b>100</b>

Source: Environmental Protection Agency. Data are for 1986.

as we've seen with newsprint, your assumptions can go drastically awry in a matter of a couple of months. So it seemed to us that the best way to treat this whole issue of the numbers involved in recycling was to say that it's clear that we can do a lot more."

### Waste problem still demands more than just recycling

As all but the most extreme environmentalists acknowledge, recycling by itself cannot solve America's solid-waste problem. Even Japan and Sweden, nations that are well ahead of the United States in recycling, use incinerators and landfills. There is little doubt that the United States, too, will have to continue to do so.

But the nation's landfills are filling up. Since 1978, according to EPA, 14,000 landfills — 70 percent of the landfills that were then in operation — have closed. Of the estimated 5,500 landfills in operation last year, EPA projects that only about 3,300 will still be operating in 1993. In New Hampshire, Massachusetts, New Jersey and Florida, virtually all of the currently operating municipal solid-waste landfills will be closed within a decade.<sup>36</sup> States, particularly in the Northeast, have been increasingly transporting their waste out-of-state. New Jersey, for instance, last year exported 55-60 percent of its waste — primarily to Pennsylvania, but also to Ohio, West Virginia, Connecticut, New York and Kentucky.<sup>36</sup>

As a result of the diminishing landfill space and the increasing amounts of waste generated, there's been a growing interest during this decade in waste-to-energy plants, in which garbage is burned to produce steam or electricity. A 1988 survey by the U.S. Conference of Mayors' National Resource Recovery

Association found 107 waste-to-energy plants already in operation. Fifty more facilities were under construction or in advanced stages of planning. Most of the plants were so-called "mass-burn" incinerators in which unprocessed solid waste is fed into a furnace.\*

In the mid-1980s, promoters of waste-to-energy technology predicted that incineration could take care of 40 percent of the nation's municipal solid waste by the turn of the century.<sup>37</sup> Such estimates have had to be revised downward, however. In many cities, mass-burn plants ran into a lot of public opposition. Critics raised concerns about air emissions and the toxicity of the ash produced. Burning refuse reduces its volume, but the ash that is left over contains toxic materials that must be disposed of somewhere. The industry said the potential risks were very small and would be safely guarded against. Nevertheless, since 1985, orders for some 40 mass-burn plants have been canceled, according to mass-burn foe Neil Seldman of the Institute for Local Self-Reliance.<sup>38</sup>

Waste-to-energy technology is still likely to play a significant role in waste management. It's "definitely premature" to write an obituary for mass-burn incineration, says Levenson. "There are certainly more mass-burn incinerators that are coming on line and that are being constructed today, and there are more that are being considered." He thinks mass-burn incinerators may eventually take care of 20 percent or more of the waste stream.

Richard Sweetnam, an analyst who follows the waste-to-energy industry for Kidder, Peabody & Co., a New York investment banking firm, says there is "a lot of optimism" about the industry's future, even though it's currently doing only "fair." The rate of new orders for plants has been well below the levels in 1985 and 1986. That falloff, he says, has to do with the new attention being paid to recycling. "I think recycling is playing a larger part in the equation, and municipalities are deferring plans for incineration in favor of trying to go ahead and get recycling at least started before incineration's considered more actively as an option."

National environmental organizations acknowledge that incineration will have a part in solving the nation's municipal solid-waste problem. "For the substantial amounts of waste that can be expected to remain even after maximum recycling, reliance on landfilling and incineration will continue, so their significant health and environmental risks must be directly addressed," says Richard A. Denison, a scientist for the Environmental Defense Fund's toxic chemicals and solid

Continued on p. 662

\*Of the 107 waste-to-energy facilities in operation in 1988, 82 were mass-burn plants; 39 more mass-burn plants were under construction or in advanced stages of planning. Waste-to-energy plants also include Refuse-Derived Fuel (RDF) plants, in which waste is processed before burning. A typical plant will remove non-combustible items, separating glass and metals for recycling, and shred the combustible waste into a smaller, more uniform particle size for burning. The RDF is burned in boilers either on-site or elsewhere.

## AT ISSUE *Can most solid waste be recycled?*

### YES

says **BARRY COMMONER**, director of the Center for the Biology of Natural Systems.

Recycling is often regarded as a good thing to do because it conforms with the "no waste" rule of ecology. Guided by this purpose, people are content to do some recycling, perhaps of newspapers, cans, and bottles. A state such as New Jersey is regarded as ecologically well-motivated because it mandates 25 percent recycling.

But this is the wrong approach.

Of course, recycling is ecologically sound, but its purpose is to solve the trash disposal crisis — to provide an alternative to the environmentally hazardous trash-burning incinerators and landfills burdened with their toxic ash. This calls for intensive recycling, a system aimed not at a few targets of opportunity but at the *total* trash stream.

Intensive recycling recognizes that about 90 percent of the trash is recyclable and that much of the remaining 10 percent — plastics, for example — ought to be eliminated from the trash stream.

In this way, intensive recycling becomes the method of trash disposal, eliminating the need for incineration and greatly reducing the toxic burden on landfills.

Can this be done? The answer is yes: we at the Center for the Biology of Natural Systems have just shown, in a pilot test for the town of East Hampton, Long Island, that intensive recycling can recover 84.4 percent of residential trash in the form of marketable products: compost prepared from the household-separated food garbage and yard waste; various grades of paper separated at a materials recovery facility (MRF) from a second household container; aluminum cans, tin cans, and color-sorted glass also separated at the MRF from a third household container. The fourth container holds the non-recyclables, 13.2 percent of the total in our pilot test. This figure, plus misclassified rejects amounting to 2.4 percent of the total trash, leads to the 84.4 percent actually recovered.

Widely adopted, intensive recycling would generate assured supplies of paper, metals, and glass that could be sold to users at a relatively low price, or even given away, because each ton recycled saves the community the high and rising cost of landfilling or incinerating a ton of unseparated trash.

Since manufacturers prefer recycled materials because they are cheaper than virgin products, they will respond by progressively moving toward maximum . . . use of recycled materials, creating, at last, the recycling society.

From EPA Journal, March-April 1989.

### NO

says **DAVID W. BIRKS**, past president of the National Resource Recovery Association.

Today, every place is somebody's backyard. And the NIMBY [Not in My Back Yard] syndrome is just one of many troublesome public perceptions. There's also the perception that local solid waste managers are giving disproportionate attention to solid waste combustion to the detriment of materials recovery, or recycling. And there's the perception, encouraged by a tiny but highly vocal minority, that we could recycle virtually *all* waste, if only we would try hard enough. Or at least we could recycle enough to make solid waste combustion unnecessary.

Neither perception has much validity. . . .

We [at the National Resource Recovery Association] define resource recovery as *both* materials and energy recovery, because we regard both the materials and the energy in our waste streams as natural resources worthy of wise management. And *resource* recovery is the only mechanism that can move us . . . from the status quo, in which we are predominantly landfill dependent. . . .

In the status quo, somewhere between five and 20 percent of our waste is being recycled. The rest is going to the landfill. Given that status quo, a typical community with a population of a half million that produces 2,000 tons per day of trash today will require a 240 acre landfill . . . by the year 2010.

About half of that trash is potentially recyclable, however. And reclaiming and recycling 80 percent of that, a significant accomplishment, would effectively handle 40 percent of the total waste stream. That's about the most we can reasonably expect to recycle, and we may be decades away from [that]. . . .

[By] recycling 25 to 40 percent of its trash and incinerating whatever is left that is combustible, [the typical community] would then need only enough landfill capacity for its noncombustible wastes (like construction and demolition debris) and for its incineration ash, which is biologically inert. The required landfill is reduced, then, to just about 50 acres. . . .

Recycling and solid waste combustion are compatible techniques which solid waste managers can use in tandem to reduce their dependence on landfills. In fact, they're more than compatible: they're complementary. Removing recyclable non-combustibles from the waste stream prior to incineration improves the waste's fuel value. . . . Recycling more means burning less, which yields fewer total emissions and less ash for landfill disposal. And the improved combustion efficiency attained by burning waste with a better fuel value reduces emissions, too. . . .

From Solid Waste & Power, June 1988.

Continued from p. 660

waste programs. "Proper design of facilities using [the] best available technology is critical. . . [A]dvanced combustion systems and state-of-the-art air pollution controls, coupled with restrictions on the kinds of waste that may be burned can reduce air pollution significantly. With respect to incinerator ash, provision for chemical or physical treatment and separate disposal of the ash in lined landfills must be integral parts of any incinerator project."<sup>39</sup>

EPA is supposed to propose regulations for municipal solid-waste incinerators this year. The regulations "will certainly be more stringent," says Levenson. "They'll probably require some kind of best-available technology, such as the use of scrubbers and baghouses [both of which are emission-control devices]." Levenson says it's also possible that EPA may require communities to have recycling programs in place before they can get a permit for an incinerator and require that there be source separation before material goes into the incinerator. Keeping metals such as lead and cadmium, and products and materials containing them, out of the incinerator would reduce the toxicity and volume of the incinerator ash.

Stringent regulations, toughly enforced, might allay people's fears about the hazards of waste-to-energy plants. But that may not make finding sites for such plants much easier. Indeed, as government officials across the country have learned, it's not easy to persuade those who live in the vicinity to accept intrusive facilities — whether it's a mass-burn plant, a new landfill or even a recycling center. It's the NIMBY (Not In My Back Yard) phenomenon,\* and it's probably the biggest obstacle preventing communities from finding solutions to their waste problems.

Public officials hope that stepping up recycling efforts will help overcome public resistance to siting garbage facilities. At the same time, many experts worry that the public views recycling as a panacea. "Recycling certainly has its place," says Robert Gould, editor of the *Resource Recovery Yearbook*. "But I think a lot of people naively think that if they recycle everything, they won't need landfills and waste-to-energy plants anymore. That's clearly not the case anywhere in the world."<sup>40</sup>

## NOTES

- <sup>1</sup> According to a Gallup Poll conducted in May 1989.
- <sup>2</sup> The advertising insert was sponsored by the Council for Solid Waste Solutions, an affiliate of the Society of the Plastics Industry. The insert appeared in the July 17, 1989, issue of *Time*.
- <sup>3</sup> Holly Brough, "Why the Recycled Newspaper Bust?" *World Watch*, November-December 1989, p. 31. Worldwatch Institute is a research organization in Washington, D.C., that focuses on environmental, energy, food, population and peace issues.
- <sup>4</sup> See Environmental Protection Agency, *The Solid Waste Dilemma: An Agenda for Action, Background Document*, September 1988, p. 1-14.
- <sup>5</sup> U.S. Congress, Office of Technology Assessment, *Facing America's Trash: What Next for Municipal Solid Waste?*, October 1989, p. 136.
- <sup>6</sup> Franklin Associates Ltd., *Characterization of Municipal Solid Waste in the United States, 1960 to 2000 (Update 1988)*, March 30, 1988, p. 18.
- <sup>7</sup> *Ibid.*, op. cit., pp. 17, 21-23.
- <sup>8</sup> Theresa Allan, Brenda Platt and David Morris, *Beyond 25 Percent: Materials Recovery Comes of Age*, Institute for Local Self-Reliance, April 1989, p. 13.
- <sup>9</sup> *Ibid.*, op. cit., pp. 7, 12, 26-27, 116.
- <sup>10</sup> Stated by Jonathan Z. Cannon, EPA's acting assistant administrator for solid waste and emergency response, in testimony July 12, 1989, before House Energy and Commerce Committee's Subcommittee on Transportation and Hazardous Materials.
- <sup>11</sup> Marian R. Chertow, *Garbage Solutions: A Public Official's Guide to Recycling and Alternative Solid Waste Management Technologies* (paperback, 1989), pp. 65-66. The book was published by the National Resource Recovery Association, U.S. Conference of Mayors.
- <sup>12</sup> *Ibid.*, pp. 13, 66.
- <sup>13</sup> Office of Technology Assessment, op. cit., p. 21.
- <sup>14</sup> Martin V. Melosi, *Garbage in the Cities: Refuse, Reform, and the Environment, 1880-1980* (1981), p. 16.
- <sup>15</sup> *Ibid.*, pp. 20-21.
- <sup>16</sup> *Ibid.*, pp. 21-22, 36, 40.
- <sup>17</sup> *Ibid.*, pp. 40-41.
- <sup>18</sup> *Ibid.*, pp. 50, 69.
- <sup>19</sup> *Ibid.*, p. 70.
- <sup>20</sup> *Ibid.*, p. 71.
- <sup>21</sup> *Ibid.*, p. 72.
- <sup>22</sup> *Ibid.*, pp. 156-157.
- <sup>23</sup> *Ibid.*, pp. 162, 164.
- <sup>24</sup> *Ibid.*, pp. 181-184.
- <sup>25</sup> *Ibid.*, pp. 186-187.
- <sup>26</sup> Cited by Melosi, *ibid.*, p. 192.
- <sup>27</sup> *Ibid.*, p. 210.
- <sup>28</sup> *Ibid.*, pp. 194, 199-200, 214, 219-221.
- <sup>29</sup> Environmental Protection Agency, *The Solid Waste Dilemma*, op. cit., p. 2.E-3.
- <sup>30</sup> *Ibid.*, pp. 2.B-2, 2.B-3.
- <sup>31</sup> Quoted by Melosi, op. cit., pp. 222-223.
- <sup>32</sup> Office of Technology Assessment, op. cit., p. 194.
- <sup>33</sup> *Ibid.*, p. 331; Chertow, op. cit., p. 55.
- <sup>34</sup> Office of Technology Assessment, op. cit., p. 331.
- <sup>35</sup> Environmental Protection Agency, op. cit., pp. 2.E-3, 2.E-4.
- <sup>36</sup> Office of Technology Assessment, op. cit., pp. 274-275.
- <sup>37</sup> Cynthia Pollock, *Mining Urban Wastes: The Potential for Recycling*, Worldwatch Paper 76, April 1987, p. 17.
- <sup>38</sup> Neil Seldman, "Mass Burn is Dying," *Environment*, September 1989, p. 42.
- <sup>39</sup> "Are Landfills and Incinerators Part of the Answer? Three Viewpoints," *EPA Journal*, March-April 1989, p. 24. Denison contributed one of the three "viewpoints."
- <sup>40</sup> Quoted in "Managing Our Waste," *Governing*, September 1989, p. 12A.

\*For background, see "Not in My Back Yard!," *E.R.R.*, 1989 Vol. 1, pp. 305-319.

Graphics: Cover, Margaret Scott; pp. 653, 656, 658, 660, S. Dmitri Lipczenko.

STEVE COWPER, GOVERNOR

**DEPT. OF COMMUNITY & REGIONAL AFFAIRS**

**OFFICE OF THE COMMISSIONER**

February 14, 1990

**POSITION PAPER**

RE: House Bill 480

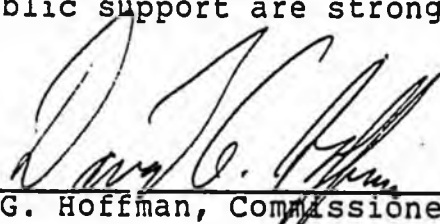
SPONSORS: Representatives Boyer, Brown, Ulmer, Finkelstein, Ellis, Koponen, M.Davis, Kubina, Goll, Menard.

Effects of the Bill

HB 480 authorizes loans for solid waste management projects from the clean water fund and requires the Department of Environmental Conservation (DEC) to take into account, among other factors, the extent to which applicants have considered source reduction and recycling.

Comments

The bill requires applicants to demonstrate that proposed solid waste management facilities are consistent with the principles of integrated solid waste management, with source reduction and recycling occurring before landfilling. DEC is required to consider the extent to which proposed facilities will serve more than one community, thus providing some incentive for the consideration of regional solid waste management facilities where appropriate. The agency is also required to consider the extent of local support for proposed solid waste management facilities, as well as the extent to which the proposed facility would alleviate severe environmental or public health concerns in the community or region. Thus, funds can be directed to areas where need and public support are strongest.

  
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David G. Hoffman, Commissioner

July 1, 1980. However, the department may grant a municipality up to 60 percent of the eligible costs not paid for by the federal government for a solid waste processing or disposal facility constructed after July 1, 1980, if the facility is used for resource recovery. The eligible costs of a solid waste processing or disposal facility are determined by the federal agency granting the most monetary assistance for construction of the facility. For a solid waste processing or disposal facility for which federal money is not available, the department shall determine the eligible costs in accordance with (d) of this section. A municipality shall construct solid waste processing or disposal facilities financed by grants under this section according to plans and specifications approved by the department.

(f) The department may make a grant to a municipality for the eligible costs of programs and facilities for enhancing or protecting the water quality of streams, lakes, waterways, and other bodies of water if the costs are incurred after July 1, 1986. The grant may not exceed 50 percent of the eligible costs unless the department finds that the program or facility is needed to avert an immediate hazard to health, in which case the grant may be up to 100 percent of the eligible costs. Eligible costs are those not financed by the federal government and include costs of testing, research, education, enforcement, and clean-up programs for the purpose of discovering and solving existing or potential water pollution problems. A grant may be made under this subsection only for a water enhancement program approved by the department. (§ 3 ch 120 SLA 1971; am §§ 2, 19 ch 220 SLA 1976; am §§ 30, 31 ch 168 SLA 1978; am §§ 1-4 ch 163 SLA 1980; am §§ 1, 2 ch 90 SLA 1986; am §§ 1 — 3 ch 40 SLA 1987)

**Effect of amendments.** — The 1986 amendment in subsection (c) inserted "water quality enhancement," and inserted a comma following "sewerage," and added subsection (f).

The 1987 amendment substituted "program and water supply, sewage" for "water supply, sewerage"; in subsection

(d) substituted "that" for "which" in the first sentence and substituted "or repair" for "repair or replacement" in the last sentence; and in the first sentence of subsection (e) substituted "that" for "including costs of obtaining federal waivers from the requirement for secondary treatment plants, which."

**Sec. 46.03.032. Alaska clean water fund.** (a) There is established as a separate fund the Alaska clean water fund, which is distinct from any other money or fund in the treasury, and which consists of money appropriated by the legislature to meet federal matching requirements, federal capitalization grants, loan repayments, interest received from loan repayments, and interest received from investment of money in the clean water fund.

(b) The department shall administer the Alaska clean water fund.

(c) The department may accept and make use of all capitalization grants provided by the federal government under the federal Clean

(d) Except as otherwise limited by federal law, the Alaska clean water fund may be used for the following:

(1) buying or refinancing treatment works debt obligations of municipalities;

(2) planning, designing, building, constructing, and rehabilitating facilities associated with public sewage collection, treatment, and discharge facilities;

(3) constructing, equipping, modifying, improving, and expanding public water supply, treatment, and distribution systems;

(4) guaranteeing or purchasing insurance for public agency obligations related to treatment works construction.

(e) Repayment of loans must be secured in a manner that the department determines is feasible to assure prompt repayment under a loan agreement entered into with the borrower.

(f) The department may spend money from the fund to pay the costs of administering the fund.

(g) A municipality wishing to borrow money from the fund must demonstrate to the satisfaction of the department,

(1) sufficient legal authority to incur the debt for which it is applying; and

(2) that it will establish and maintain a dedicated source of revenue or other acceptable revenue source for repayment of the loan.

(h) Allocation of Alaska clean water fund loans must be made in accordance with the priority list developed by the department, using criteria specified in regulations adopted by the department.

(i) Before making a loan from the Alaska clean water fund, the department shall, by regulation, specify

(1) standards for the eligibility of borrowers and the type of projects to be financed with loans;

(2) loan term and interest rate policies for loans made from the fund;

(3) standards regarding the technical and economic viability and revenue self-sufficiency of eligible projects;

(4) collateral or other security required for loans;

(5) terms of loans; and

(6) other relevant criteria, standards, or procedures.

(j) A loan made by the department must be made according to the standards, criteria, and procedures established by regulations under this section.

(k) The department shall prepare reports required by the federal government in conjunction with federal capitalization grant award conditions. The department shall also provide the Alaska legislature with an annual report on the Alaska clean water fund on or before the first day of each legislative session.