

April 17, 2023

To: Senate Finance
From: The National Wastes and Recycling Association (NWRA)
Through: Douglas Carnival, McGrann, Shea, Carnival Law Firm

RE: SF 2438a-3 Environment and Climate Budget Bill

Oppose:

1) Non-specific Grant Funds to MPCA: \$13.94M; \$13.94M 2024-2025 Total: \$28M

This is significant funding that is not tied to any program established in statute or rule, no citation is given. The legislative language states that the funds can be used for “a waste prevention and reduction grant program”. While NWRA does not oppose such a program, this is one-time, significant funding that, given the lack of transparency raises questions about how this funding will be used, whether this is for a single project that might compete with existing solid waste facilities, or whether this is an acquisition or subsidization of an existing facility. More detail is needed and NWRA has concerns about whether this would fund a facility that competes with existing solid waste infrastructure. There are no “guard rails” in statute or rule for how this money could be spent.

2) Changes to MPCA Solid Waste Financial Assistance Allowing Government Acquisition (Policy language “Waste Management Capital Assistance Program; Lines 85.10-91.17):

The Senate is proposing significant changes to MPCA’s solid waste facility bond, grant and loan programs, giving government entities new authority to “acquire, establish and improve” solid waste facilities using state issued bonds, grants and/or loans for up to 50%, 75% and even 100% of total facility capital costs or \$5M, whichever is less. The terms “bonds, grants and loans” are used loosely throughout, several percentages of total costs covered are included, making it unclear as to what percentage of total costs are covered in any given set of circumstances. The language was not shared with NWRA and we have concerns related to government acquiring or retrofitting infrastructure and the impact that may have on private sector investments. Further, we question the need for \$17K for Capital Assistance Program rulemaking if these program changes are already made as proposed in this bill.

3) \$5M in Grant Funds for New St Louis County Landfill

NWRA opposes the \$5M in grant funds that would be inappropriately set aside from the \$87M in local water infrastructure grant funds likely for planning of a landfill. St. Louis County has also requested \$20M in bond funding for a grant to St. Louis County to acquire property to design, engineer, and construct a new municipal solid waste landfill for the same purpose (Lislegard HF 960). These proposed funding requests would provide an unfair advantage to a public sector proposed facility at the expense of privately funded competing facilities that might be approved by the MPCA. Any funding to St. Louis County should be postponed until MPCA completes the ongoing regional waste management plan.

Question:

4) Transfer of Funds: (\$24M ongoing funding) from Environmental Fund to Remediation Fund

This is a significant amount of funding that is ongoing funding for an unspecified “remediation” program or project. Is this for the cleanup of Pig’s Eye Landfill, Freeway landfill, or is it for PFAS cleanup and/or management? What is this funding going to be used for?