

MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

ONE HUNDRED AND NINTH LEGISLATURE

Legislative Document

No. 1131

H. P. 906

House of Representatives, March 9, 1979

On Motion of Mr. Blodgett of Waldoboro, referred to the Committee on Energy and Natural Resources. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Mrs. Bachrach of Brunswick.

Cosponsors: Mrs. Huber of Falmouth, Mr. Fowlie of Rockland and Mr. Peterson of Caribou.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-NINE

AN ACT to Authorize a General Fund Bond Issue in the Amount of \$16,500,000 to Assist Municipalities with Solid Waste Management.

Preamble. Two-thirds of both Houses of the Legislature deeming it necessary in accordance with the Maine Constitution, Article IX, Section 14, to authorize the issuance of bonds on behalf of the State of Maine to provide funds for the planning and implementation of municipal solid waste management systems, including any resource recovery system or component thereof, any system or program or facility for resource conservation and any system for the collection, source separation, storage, transfer, processing, treatment and disposal of solid waste.

Whereas, the Legislature deems it necessary to alleviate the threat to ground and surface waters to prevent environmental damage, to conserve valuable land and other resources and to reduce the hazard to the health, safety or welfare of the State of Maine caused by prevailing solid waste management practices.

Be it enacted by the People of the State of Maine, as follows:

Sec. 1. 38 MRSA § 1303, sub-§§ 5-A and 5-B are enacted to read:

5-A. Planning Agency. "Planning agency" means 3 or more public agencies formed under the provisions of sections 1551 to 1566, regional refuse disposal

districts, acting under the provisions of Title 30, sections 1951 to 1958, regional planning commissions, councils of governments or county government.

5-B. Resource conservation. "Resource conservation" means the reduction of the amounts of solid waste that is generated, the reduction of overall resource consumption and utilization of recovered resources.

Sec. 2. 38 MRSA § 1303, sub-§ 6, as enacted by PL 1973, c. 387, is amended to read:

6. Resource recovery. "~~Recoverable resources~~ Resource recovery" means materials that still have useful physical or chemical properties after serving a specific purpose and can be reused or recycled for the same or other purposes.

Sec. 3. 38 MRSA § 1303, sub-§ 6-A is enacted to read:

6-A. Septage. "Septage" means waste, refuse effluent, sludge and any other materials from septic tanks, cesspools or any other similar facilities.

Sec. 4. 38 MRSA § 1303, sub-§ 7, as enacted by PL 1973, c. 387, is amended to read:

7. Solid waste. "Solid waste" means useless, unwanted or discarded solid material with insufficient liquid content to be free flowing, including by way of example, and not by limitation, rubbish, garbage, scrap materials, junk, refuse, inert fill material and landscape refuse, but shall not include ~~septic tank~~ septage, waste water treatment plant sludge or agricultural wastes.

Sec. 5. 38 MRSA § 1303, sub-§ 10, is enacted to read:

10. Waste water treatment plant sludge. "Waste water treatment plant sludge" means the concentration of solids removed from sewage during waste water treatment.

Sec. 6. 38 MRSA §§ 1309-1315 are enacted to read:

§ 1309. Grants by State for preliminary solid waste management planning

1. Solid waste management plans. "Solid waste management plans" means studies which include, but are not limited to, the identification and classification of existing facilities; projections of capacity and expected life of existing facilities; the analysis of municipal solid waste generation rates; alternative collection, transfer, treatment and disposal systems; capital and annual costs of each alternative; resource recovery and conservation practices; the development of alternative implementation plans; and other data required by the Board of Environmental Protection.

2. Payment of expenses. The Board of Environmental Protection is authorized to pay an amount not in excess of the amount determined by the following formula: Grant = 70c per capita plus \$6 per square mile for populations and areas within the study area for expenses incurred by planning agencies or their agents for the preparation of a solid waste management plan for areas of the State except unorganized areas.

§ 1310. Grants by State for design and engineering

“Design and engineering” means the engineering and design and the preparation of drawings, specifications, contracts, as well as all other documents necessary for the implementation of solid waste management systems. The Board of Environmental Protection is authorized to pay an amount not in excess of the amount determined by the formula: $\text{Grant} = \$3,000$ per municipality, except unorganized areas, plus 65c per capita or 75% of the total expenses incurred, whichever is less, for expenses incurred by municipal or quasi-municipal entities or their agents in design and engineering for the implementation of solid waste management systems approved by the Board of Environmental Protection.

§ 1311. Grants by State for the implementation of solid waste management systems

The Board of Environmental Protection is authorized to pay an amount not in excess of the amount determined by the formula: $\text{Grant} = \$10,000$ per municipality, except unorganized areas, plus \$3.70 per capita of the population within the area to be served or 50% of the total expenses, whichever is less, of the expenses incurred by municipal or quasi-municipal entities for the implementation of solid waste management systems approved by the Board of Environmental Protection.

In addition to the amount authorized by this section, the Board of Environmental Protection is authorized to pay up to, but not in excess of, 50% of the remainder of the cost not funded under the first paragraph of this section or \$4 per capita, whichever is less, for that portion of solid waste management system which provides for resource conservation or resource recovery or for a solid waste management system that services 3 or more communities. Grants under this section shall be limited to capital construction and development costs, fixed equipment and other reasonable one-time costs designated in regulations promulgated by the Board of Environmental Protection.

§ 1312. Retroactive grant awards

The Board of Environmental Protection may pay an amount authorized by sections 1310 or 1311 for expenses incurred subsequent to January 31, 1976, by municipal or quasi-municipal entities for any project that would otherwise qualify for a grant except for the fact that the project began prior to the effective date of this Act.

§ 1313. Grants for unorganized areas

In the event that portions of the unorganized areas of the State are included in the programs authorized by sections 1309 to 1312, the Board of Environmental Protection is authorized to pay an additional amount calculated as follows: Population to be served in the unorganized area x average per capita amount calculated under the respective formula of sections 1309 to 1312.

§ 1314. Priority lists and regulations

1. Priority lists. The board after public hearing shall annually adopt criteria for the purpose of establishing eligible costs and a grant awards priority list. Criteria for determining priority shall include, but not be limited to:

- A. Resource conservation;**
- B. Resource recovery systems;**
- C. Serving more than one community;**
- D. Abatement of degradation of ground and surface waters; and**
- E. Protection of public health, safety and welfare.**

2. Rules. The board may adopt, amend and repeal reasonable rules necessary for the proper administration of the grant program authorized by sections 1309 to 1312.

§ 1315. Federal funds

In the event that there is a combination of federal and state grants that exceed the total costs of the projects eligible for state assistance under sections 1309 to 1311, the Board of Environmental Protection may reduce the state's share by an amount equivalent to the amount in excess of the total costs of the project.

Sec. 7. Authorization of bond issue to assist municipalities with solid waste management.

1. Issue of bonds to provide for the planning and implementation of municipal or quasi-municipal solid waste management systems. The Treasurer of State is authorized, under the direction of the Governor, to issue from time to time bonds in the name and behalf of the State to an amount not exceeding \$16,500,000 for the purpose of raising funds to provide for the planning and implementation of solid waste management systems, including any resource recovery system or component thereof, any system or program or facility for resource conservation and any system for the collection, source separation, storage, transfer processing, treatment and disposal of solid waste authorized under the Revised Statutes and Acts amendatory thereof. These bonds shall be general obligations of the State of Maine and the full faith and credit of the State shall be pledged to the payment of interest and redemption of the bonds.

The bonds shall be dated, shall mature at such time or times not exceeding 20 years from their date and may be made redeemable before maturity, at the option of the Treasurer of State, at such price or prices and under such terms and conditions as may be approved by the Governor prior to the issuance of bonds.

The Treasurer of State, with the approval of the Governor, shall determine the form of the bonds, including any interest coupons to be attached thereto and shall fix the denomination or denominations of the bonds and the place or places of payment or principal and interest, which may include any bank or trust company within or without the State.

The bonds shall be signed by the Treasurer of State and any interest coupons attached thereto shall be executed with the facsimile signature of the Treasurer of State. In case any officer whose signature shall appear on any bonds or coupons shall cease to be such officer before the delivery of the bonds, the signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if he had remained in office until the delivery. The bonds may be issued in coupon or registered form, or both, and may be interchangeable as the Treasurer of State may determine.

2. Records of bonds issued to be kept by State Auditor and Treasurer of State. The State Auditor shall keep an account of such bonds, showing the number and amount of each, the date of countersigning, the date when payable and the date of delivery thereof to the Treasurer of State, who shall keep an account of each bond showing the number thereof, the name of the person to whom sold, the amount received for the same, the date of sale and the date when payable.

3. Sale, how negotiated, proceeds appropriated. The Treasurer of State may negotiate the sale of the bonds by direction of the Board of Environmental Protection with the approval of the Governor. The proceeds of the sales of the bonds, which shall be held by the Treasurer of State and paid by him upon warrants drawn by the State Controller at the order of the Board of Environmental Protection or its authorized representative, are hereby appropriated to be used solely for the purposes set forth in this Act. Any balance unexpended shall not lapse, but shall be carried forward to the same account to be used only for the purposes set forth herein.

4. Proceeds of bonds not available for other purposes; must be kept separate from other funds. The proceeds of all bonds issued under the authority of this Act, and the funds made available for interest and debt retirement thereunder shall at all times be kept distinct from all other moneys of the State and shall not be drawn upon or be available for any other purpose.

5. Interest and debt retirement. Interest due or accruing upon any bonds issued under this Act and all sums coming due for payment of bonds at maturity shall be paid by the Treasurer of State.

6. Disbursement of bond proceeds. The proceeds of these bonds shall be expended under the direction and supervision of the Board of Environmental Protection.

7. Contingent upon ratification of bond issue. Sections 1 to 6 and section 7, subsections 1 to 6, of this Act shall not become effective unless and until the electors of the State of Maine shall have ratified the issuance of bonds as set forth in this Act.

8. Referendum for ratification. The aldermen of cities, the selectmen of towns and the assessors of the several plantations of this State are hereby empowered and directed to notify the inhabitants of their respective cities, towns

and plantations to meet in the manner prescribed by law for holding a special statewide election to be held on the Tuesday following the first Monday of November following passage of this Act to vote on the acceptance or rejection of this Act by voting on the following question:

“Shall a bond issue be ratified in the amount of \$16,500,000 to assist municipalities with solid waste management?”

The legal voters of the cities, towns and plantations shall indicate by a cross or check mark placed within a square upon their ballot their opinion of the same, those in favor of ratification voting “Yes” and those opposed to ratification voting “No” and the ballots shall be received, sorted, counted and declared in open ward, town and plantation meetings and due return made to the office of the Secretary of State in the same manner as votes for Governor and members of the Legislature, and the Governor shall review the same and if it shall appear that a majority of the legal votes on the question are in favor of the Act, the Governor shall forthwith make known the fact by his proclamation and the Act shall thereupon become effective as of the date of the proclamation.

Secretary of State shall prepare ballots. The Secretary of State shall prepare and furnish the several cities, towns and plantations ballots and blank returns in conformity with the foregoing Act, accompanied by a copy thereof.

STATEMENT OF FACT

The bond issue is intended to assist communities with the costs of planning, designing and implementing a solid waste management program. These programs are mandated by both state and federal law.

Solid waste systems that protect the public health, safety or welfare and prevent or abate air and water pollution benefit the people of Maine as a whole, as well as the people of the immediate local area. The sharing of the benefits of a program makes it desirable that some of the costs of the program be shared also. The bond issue and its accompanying program authorization proposes that some of the so-called up-front costs, such as planning and capital costs, be shared on a statewide basis.

Section 7, subsections 1 to 8, outline the purpose of the bond issue and the procedures to be followed in order for the people of Maine to express their approval or disapproval of the program via the ballot box.

Sections 1-5 make a number of changes and additions to terms found in the solid waste management statutes. Resource conservation is defined, for it is a concept that can be funded through the bond issue. The term “septage” is added, for it is the term generally applied to materials taken from septic tanks and cesspools. “Waste water treatment plant sludge” is defined, for it is a term used in the definition of solid waste. The term “solid waste” is amended to indicate that septage and sludge disposal sites are not intended to qualify for bond issue moneys.

Section 6 provides the legislative directions to the Board of Environmental Protection for administering the grant program.

The board, utilizing the planning agencies, is to evaluate all aspects of the solid waste problems in the State, develop alternatives for solving the identified problems, estimate the costs of implementing and operating the alternatives and recommend management systems which may or may not be regional in nature. The estimated cost for carrying this out is \$868,024.

It is expected that the planning will take about 12 months to complete.

The implementation of the objectives of the management plans will need to be carried out by the local communities. This will require detailed design and specification tailored to each selected alternative. The selected alternative will need to be approved by the board and it must be consistent with the applicable management plan. The estimated cost for preparing the detailed engineering designs is \$2,941,155. The bond moneys will cover up to 75% of this estimated cost or \$2,205,866, whichever is less.

The construction and implementation of the final design will also need to be carried out by the local communities and this cost is estimated to be \$18,039,744. The bond issue will cover 50% of this cost or \$9,019,872, whichever is less.

The bond issue program recognizes the need to encourage resource recovery and cooperation between communities by providing a bonus for programs that incorporate these provisions. This bonus provision is estimated to be \$4,347,932. This will generate an equivalent amount of local funds for a total resource recovery and multiple community costs of \$8,695,864.

There have been a number of communities that have expended funds to upgrade and improve solid waste systems in the past few years. The bond issue program recognizes these efforts by allowing retroactive payments for the eligible components of these programs. January 31, 1976, is selected as the starting date for such payments, for this was the date designated by the 107th Legislature for requiring compliance with the solid waste management regulations.

The funds for retroactive payments are included in other calculations and no separate amount is separated out for this provision.

The board is required to establish criteria, after public hearing, for determining what costs should be included in the grant program as well as establishing priority lists for implementing the solid waste program. In addition, it is authorized to adopt rules that will enable the equitable administration of the grant program.

The basic grant formulas are based on areas and population in the so-called organized areas of the State. The bond issue program recognizes that unorganized areas also need assistance but that a formula based on area would funnel an excess amount of money into the unorganized areas disproportionate to the solid

waste problems of the area. For this reason, grants for unorganized areas are based on the average per capita grant awarded to organized area times the population to be served in the unorganized areas.

There are known significant federal financial assistance programs for solid waste management. In the event that in the future the Federal Government sees fit to provide funds, provisions are made to ensure that a combination of federal, state and local funds do not exceed the actual costs for the program.

In summary, this Act proposes to assist communities with the financial burden of complying with state and federal law through a bond issue mechanism. Financial assistance will be provided for planning, capital costs and other one-time costs essential to carrying out a reasonable solid waste management program. This will allow communities to get off on the right foot and protect the natural environment of the State of Maine and their ground water resources.