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Michigan House Bills 5812-5817: Proposed Updates to Part 115, 1994 PA 451 resources and environmental protection act"	, "Natural
A Review from a Domicological Perspective	

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The Michigan State University Domicology team studies the life cycle of our built environment, with a focus on finding value-added and sustainable ends for structural materials salvaged from residential and commercial structures upon deconstruction and demolition. As a research assistant with the MSU Materials Salvage and Reuse Innovation Hub, our team seeks to meet the challenges of C&D waste in MI landfills, especially with endemic challenges of blight and abandonment in some MI communities, and we are committed to encouraging local and state policies that promote salvage and reuse of structural materials and diversion of waste from our landfills. With Michigan's state and local governments proposing new policies to increase our recycling and landfill diversion rates, it is essential that policy makers consider the quantity of Construction & Demolition (C&D) waste in Michigan landfills: from some estimates, this is as much as 40% of total landfill waste by weight. This white paper will analyze these proposed changes to Part 115 from a domicological perspective that focuses on reuse and landfill diversion opportunities for structural material solid waste.

Introduction:

On June 2nd, 2020, a bipartisan team of Michigan lawmakers introduced House Bills 5812-5817 to update Part 115, Michigan's solid waste and materials management laws. Three Democratic and three Republican legislators, including House Natural Resources and Outdoor Recreation Committee Chair Gary Howell (R-82) and Vice Chair Bill Sowerby (D-31), introduced this long-overdue bill to update Michigan's recycling standards, regulations, fees, and planning capacity.

Michigan's original recycling guidelines are contained in 1994 PA 451, "Natural resources and environmental protection act." While providing guidance and regulatory framework for the State's recycling initiatives, 1994 PA 451 has not been appropriately updated to meet Michigan's current sustainability goals and the demands of future solid waste management needs.

The Michigan Recycling Coalition identifies key issues that necessitate this legislation. Permits and licensing fees have not been updated in over 20 years (since 1994 PA 451 was first passed), gas and odor issues are widespread, landfills are beginning to close without clear guidelines and procedures for landfill closure, and the cost of remediating landfills post-closure is higher than the financial assurance required. Lack of procedure, clarity, and updated rules and regulations concerning landfills and waste diversion hinder the state's sustainability and recycling rate goals and has led to a loss of investment into materials management alternatives.

Legislation:

Largely guided by the Governor's Solid Waste and Recycling Advisors (SWRA), a group of key stakeholders in the recycling and sustainability sectors, these bills seeks to rectify the underfunding of Michigan's landfills; plan for landfill growth due to capacity concerns; increase oversight of the industry, including financial assurance requirements to remediate landfills; and requires county level materials management planning to better address a diverse array of materials ending up in Michigan landfills. This will promote new facilities and capacity for

communities to manage materials safely and effectively. While these bills allow innovation at the local level, they set clear benchmark goals and processes at the state level to oversee advancements in recycling and landfill diversion.

HB 5812 sets benchmark recycling standards for the State of MI. This includes two main components: accessibility to curbside and drop-off recycling, and target goals for the Michigan's statewide recycling rate. To increase accessibility to recycling for Michigan residents, HB 5812 mandates that by January 1, 2022, at least 90% of single-family dwellings in urban areas have access to curbside recycling. By January 1, 2025, at least 90% of single-family dwellings in municipalities with more than 5,000 residents must have access to curbside recycling. This bill also would require a proportionate number of drop-off recycling locations with drop-off available at least 24 hours per month: counties with less than 100,000 residents must have 1 drop-off per 10,00 residents, and counties with over 100,000 residents must have at least one drop-off location per 50,000 residents.

Michigan's current annual recycling rate sits at about 15%. HB 5812 sets a statewide target recycling rate goal of 45%, and mandates the state reach a 30% recycling rate by 2025.

MSRI Comment: While HB 5812's recycling rate targets make no mention of C&D waste, the large amount of C&D waste in MI landfills (30-40% by weight) will necessitate that State and local governments critically examine this waste stream and find useful alternatives for waste disposal. The MSU Domicology Team and Materials Salvage and Reuse Innovation Hub continue to advocate for such alternatives.

<u>HB 5813</u> doubles the permit fees required for operating a landfill. HB 5813 also updates the licensing and approval processes for constructing a new waste management facility.

<u>HB 5814</u> increase the financial assurance required for the maintenance of landfills post-closure. Largely, this bill doubles the bond requirements for operating a landfill.

<u>HB 5815</u> updates penalties for non-approved waste disposal and establishes a recycling market development program that will provide grants or loans for purchasing equipment, research and development, and other innovative initiatives to increase Michigan's recycling and waste diversion rate. Local units of government, non-profits, and for-profit entities are eligible for funds to develop local recycling infrastructure, recycling education campaigns, and innovations to reduce waste and increase the amount of materials recycled.

MSRI Comment: The provision of grants and loans for research and development in HB 5815 may be helpful for furthering research into useful reuse economy initiatives concerning C&D waste. This funding is intended to support innovations to reduce waste and increase recycling rate, and the under-studied C&D waste stream is a key target for this innovation.

<u>HB 5816</u> sets regulations and procedures for managing composting and anaerobic digestor facilities, and delineates the regulatory matters for industrial facilities, farms, and private property composting. This bill ensures composting minimizes public nuisance (gas smell issues, carbon-to-nitrogen ratios, amount of leaves and grass, etc.) and sets fees for composting and anaerobic digestor facilities.

<u>HB 5817</u> ensures each county has an approved materials management plan for managing solid waste disposal. The materials management plan may include 2 or more counties if county governments agree to collaborate.

HB 5817 sets the rules and regulations for submitting a materials management plan, including the planning committee makeup, process for getting approval, and the specific pieces of information that must be included in such a materials management plan.

The Solid Waste Planning Committee must contain at minimum: four representatives of the solid waste management industry, one representative from an industrial waste generator, two representatives from environmental interest groups from organizations that are active in the County, one representative from County government, one representative from township government, one representative from the regional solid waste planning agency, and three representatives from the general public who reside within the County.

The County Materials Management Plan must include specific, measurable, and objective goals for solid waste diversion – at minimum the benchmark recycling goals articulated in HB 5812. If the county(ies) fail to make progress towards these goals, they will be ineligible for assistance from the growing recycling access and voluntary participation. To become eligible, counties must adopt an ordinance or other enforceable mechanism to ensure curbside recycling services

MSRI Comment: The County Materials Management Planning Requirement in HB 5817 allows local communities certain freedom to address the waste streams in their county. For some counties in the state (where there is substantial new construction or structural abandonment), the C&D waste stream must be included in the benchmarking if communities want to get an accurate assessment of the solid waste stream. For counties with benchmark targets in excess of Michigan's statewide recycling rate goals, especially those counties with a great deal of C&D activity, this waste stream will become a key area for exploration and innovation.

Takeaways from HB 5812-5817:

This set of bills do not sufficiently address the issue of C&D waste ending up in Michigan landfills. Likewise, they do not increase tipping fees for landfilling waste, a controversial issue in the state. HB 5812-5817 do, however, provide a great deal of authority to local county governments. County governments with high rates of C & D waste in their landfills may set their own targets for recycling and waste diversion in excess of the statewide recycling goals, and may

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pursue innovative solutions to dealing with said waste, such as finding value-added reuses for structural material or opportunities for re-manufacturing such materials. With 2030 Districts like Grand Rapids, Detroit, and Ann Arbor pursuing their own targets for energy, water use, and transportation emissions reductions, and Grand Rapids pursuing a 90% recycling rate by 2030, it is important that these bills allow local innovation and county governments to pursue waste diversion and recycling rate targets above the statewide targets, and recognize the substantial solid waste stream due to construction and demolition activities.

Previous research conducted by the MSU Center for Community and Economic Development's Domicology Team, specifically J. Weidenaar's "Structural Material Reuse and Recycling Market Study," (2018) indicates that this sector has the potential to employ nearly 3.5% of the state's workforce and generate more than \$80 million in annual sales. This study also indicated that the structural material reuse and recycling sectors are largely resilient and resistant to the consequences of periodic economic decline. With the economic benefits of development in this important sector, as well as the necessity of addressing the large percentage of structural materials in Michigan landfills, it is essential that local communities continue innovating and addressing this waste stream.

To add your support or input on HB 5812-5817, please email Natural Resources and Outdoor Recreation Committee clerk, Amy Rostkowycz at arostkowycz@house.mi.gov with your name, organization and position on the bill.

The statements, findings, conclusions, and recommendations contained within this work are solely those of the authors and do not necessarily reflect the views of Michigan State University.