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FISCAL IMPACT REPORT

SPONSOR: Nava DATE TYPED: 02/28/01 HB _____
 SHORT TITLE: Regulation of Solid Waste Landfills SB 717
 ANALYST: Belmares

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY01	FY02	FY01	FY02		
	NFI				

(Parenthesis () Indicate Expenditure Decreases)

Relates to HB 612

SOURCES OF INFORMATION

Department of Environment (DOE)
 Energy, Minerals and Natural Resources Department (EMNRD)
 Public Regulation Commission
 Solid Waste Act

SUMMARY

Synopsis of Bill

Senate Bill 717 would allow a municipality to grant by ordinance a franchise for a solid waste landfill located within its borders. As a condition of operation of the landfill, the municipality would be allowed to charge a reasonable fee not to exceed five dollars per ton for the continued operation of the landfill, and to impose conditions on the continued operation of the landfill as necessary for public health and safety. The bill also establishes that landfills in operation before June 15, 2001 may operate without being franchised for ninety days from that date to negotiate a franchise agreement with municipalities.

Significant Issues

The Oil and Conservation Division of the Energy, Minerals and Natural Resources Department permits facilities to dispose of wastes originating in the oil and natural gas industry pursuant to the Oil and Gas Act. The Solid Waste Act places jurisdiction over solid waste landfills in the Department of Environment. The Department of Environment already regulates operation of solid waste landfills in the interest of the public health and safety. The Energy, Minerals and Natural Resources Department has expressed concern the bill could impose additional or conflicting regulation on landfills.

Additionally, the Energy, Minerals and Natural Resources Department has suggested the additional franchise fees allowed for in the bill could drive such facilities into unincorporated areas.

The Department of Environment asserts the bill would not grant a municipality any authority it does not already have under the statute (3-42-1 NMSA 1978). The Department of Environment presumes the municipality's authority to charge a reasonable fee and to place conditions on operations is inherent in the authority to grant a franchise.

FISCAL IMPLICATIONS

No fiscal implications have been identified.

RELATIONSHIP

Senate Bill 717 relates to House Bill 612, which would allow the board of county commissioners to compel the taking of refuse to designated places within the county. If collection of solid waste by private haulers is considered "the operation of a public utility," and such a collection was also franchised by the municipality, then it would appear to be within the authority of the municipality to compel the disposal of solid waste collected under a franchise agreement to go to a designated place.

POSSIBLE QUESTIONS

1. House would a municipality's regulations be developed and in what form would they be imposed?
2. Is the authority to charge a reasonable fee and to place conditions on landfill operations inherent in a municipalities existing authority to grant a franchise?

EB/ar