Michigan Waste & Recycling Association

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Via U.S. Mail and e-mail

August 14, 2015

Hon. Al Pscholka
Room 352
House Appropriations
State Capitol Building
Lansing, MI 48909

Re: Opposition to HB 4783

Dear Mr. Pscholka:

Michigan Waste & Recycling Association ("MWRA") submits this letter in opposition to HB 4783. MWRA is a nonprofit trade group representing Michigan-based companies dedicated to the collection, transportation, processing, recycling and disposal of solid waste in the State of Michigan.

HB4783 would increase the civil fines imposed under Part 115 (Sold Waste) of the Natural Resources and Environmental Protection Act ("Part 115") by 150% for an initial violation, and by 200% for a second or subsequent violation. Currently, Part 115 imposes a maximum civil fine of $10,000 for each day that an initial violation continues, and $25,000 per day for a second or subsequent violation. HB 4783 would increase those daily fines to $25,000 and $75,000, respectively. MWRA opposes this increase for the following reasons:

- The enforcement tools currently available under Part 115, including its existing penalty structure, already provide a significant deterrence effect against violations. Fines accumulating at the current rate of $10,000 for each day can inflict a devastating economic impact on any business that fails to comply. Moreover, for many of MWRA's member companies, including the substantial majority of all landfill operators in Michigan, the mere threat of a violation appearing on their record often has as much deterrent effect as the monetary impact. These companies strive to conduct their operations at the highest standards possible, in full and complete compliance with Part 115. Increasing Part 115's penalty structure will not result in any greater deterrence factor.

- In addition to the deterrence effect of Part 115's existing penalty structure, Section 11519 of Part 115 authorizes the Michigan Department of Environmental Quality or a county health officer to issue a cease and desist order to a person in violation of Part 115.

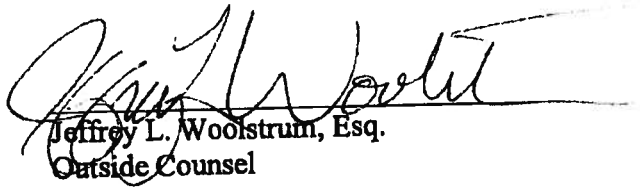
- While increasing Part 115's civil fines may not result in any material change to operations at MWRA member companies' landfills, who already operate at the highest standards, the mere threat of such draconian monetary fines could change

their waste acceptance policies, leaving certain difficult-to-manage waste streams with fewer and more expensive disposal options. MWRA understands that HB 4783 is largely driven by issues concerning landfill odors. MWRA's members are keenly aware of this issue and take extraordinary efforts to control odors; however, it is an inescapable fact that certain waste streams, such as sewage sludge and animal carcasses, present more of a challenge than other wastes. Although all of these waste streams are routinely managed without incident, the potential of incurring the enormous fines that would be imposed by HB 4783 could tip the balance against a landfill's decision to continue managing these waste streams. This will needlessly and substantially increase the cost of disposal of those wastes.

- The increased fines would not be limited to landfill operators, but would apply to *every* person regulated under Part 115, including municipalities operating material recovery facilities, utilities operating ash monofills, compost facilities, and transporters. The penalty structure that would be imposed under HB 4783 is disproportionate to the activities conducted by these persons.

For the foregoing reasons, MWRA opposes HB 4783

Very truly yours,
MICHIGAN WASTE & RECYCLING ASSOCIATION



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