



April 13, 2023

Finance Revenue & Bonding Committee
Legislative Office Building, Room 3700
Hartford, CT 06106

Re: SB 1242 *An Act Concerning Solid Waste Management*

Dear Members of the Finance Revenue & Bonding Committee:

As the Executive Director of the Southeastern Connecticut Regional Resources Recovery Authority (SCRRA), I am writing on behalf of the SCRRA Board of Directors who have unanimously endorsed this letter.

SCRRA is made up of twelve towns in southeastern Connecticut which include East Lyme, Griswold, Groton, Ledyard, Montville, New London, North Stonington, Norwich, Preston, Sprague, Stonington, and Waterford. SCRRA has successfully managed the Municipal Solid Waste (MSW) disposal and recycling needs of its member municipalities for over thirty years and is currently under contract to fulfill those demands through the end of the decade.

The SCRRA Board of Directors acknowledges the current crisis in the State's solid waste systems and that it has been a long time developing. The Connecticut Resource Recovery Authority (CRRRA – later known as MIRA) was formed in the early 1980's specifically to develop the State's solid waste infrastructure to be self-sufficient without the use of landfills. This Authority was successful in building out eighty percent of the State's disposal needs by the early 1990's and then later refocused its efforts as a central and northwest Connecticut authority. In this capacity, MIRA became the State's de facto solid waste marketplace pricing regulator as its business model was cost-based. Their pricing model helped moderate the overall price structure for solid waste disposal throughout the state. Now that MIRA Hartford facility is closed, the result is a for-profit oligopoly with a handful of market participants regulated only by the cost of shipping waste to out-of-state facilities. As a result, Connecticut municipalities and therefore their taxpayers are facing price increases with disposal fees increasing far above inflation and a cost-based structure.

SCRRA supports the overall approach of the Comprehensive Materials Management Strategy (CMMS) and agrees that waste mitigation should be the primary focus. SCRRA is a strong proponent of accelerated organics diversion, expansion of extended producer responsibility legislation, and efforts to bolster recycling programs with recycled content laws.

However, SCRARRA unequivocally opposes the proposed increase and expansion of the Solid Waste Assessment (SWA) without a clearly defined plan for projects that will help build out the State's solid waste infrastructure. The State has for years been approving studies, issuing RFPs, and funding a few demonstration projects for municipalities without moving any of them to full production.

SCRARRA recently conducted its own pilot commercial-scale food waste composting project without State input other than issuing a permit. There were no site visits or other follow-up regarding the success of the project. If we are to move infrastructure forward in the State, the DEEP and legislature should facilitate the infrastructure development process.

The CMMS states that the revenue collected from the SWA fees are deposited in the General Fund. With the closure of the MIRA Resource Recovery Facility (RRF), the amount destined for the General Fund would decrease by approximately \$750,000. Page 34 of SB 1242 states "Subject to legislative authorization, after covering current level SWA contributions...", which indicates the priority is replenishing the General Fund before directing revenues to the needed waste infrastructure. Similarly, the Bottle Bill, a legislative recycling reduction act which SCRARRA conceptually supported, has unfortunately directed unclaimed deposits of close to half a billion of dollars to the General Fund (as Public Act 08-1 *An Act Concerning Deficit Mitigation* signed by the Governor on 11/25/2008) rather than waste mitigation.

Now the suggestion is to increase and expand the SWA which will put additional financial burdens on already stressed municipalities. For SCRARRA communities this would be over a million dollars in a five-year period. SCRARRA proposes that fees already collected by the State for solid waste programs be diverted to support mitigating the self-sufficiency imbalance, and if any changes to the SWA are made that it is to support clearly defined projects.

SCRARRA was formed in 1984 by a joint resolution for the purpose of financing the construction of a waste-to-energy facility after the Legislature mandated that municipal landfills close. SCRARRA successfully financed and built the Preston Waste-to-Energy Facility which opened in 1992. In the early years of the facility's operation SCRARRA towns were paying tip fees that were twice the State's average. When SCRARRA requested relief from the State there was no action taken and the SCRARRA member communities were left on their own. Now, thirty years later, the proposal is to increase taxes again because the State is far short of having the necessary infrastructure to manage the level of waste that it generates, and these communities are asked to pay to correct a problem they did not create.

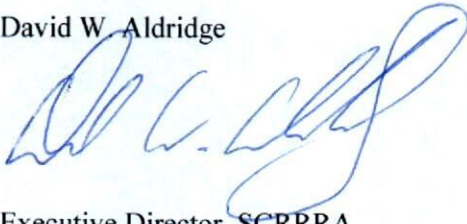
The SCRARRA position is straightforward: if taxes are assessed for programs that control recycling and waste disposal, the funds that they generate should be invested in infrastructure that maintains recycling and waste mitigation, period. If funds were invested in this way since 2008 the State would have ample funds to manage waste and protect the environment now.

In closing, the SCRARRA Board appreciates the waste mitigation strategies incorporated in the Department of Energy and Environment Protection's amendment to the Comprehensive Material Management Strategy and reflected in SB 1242. The loss of a publicly owned facility which exercised control over the State's solid waste marketplace coupled with the lack of an infrastructure plan has disposal costs

escalating at an alarming rate. While we understand that fees like the SWA and the Bottle Bill are common in other states and may be necessary, we also believe that the funds generated should be earmarked to directly support the State's solid waste management infrastructure.

Sincerely,

David W. Aldridge



Executive Director, SCRRRA

CC: SCRRRA Board of Directors
SCRRRA Town CEOs
SCRRRA Regional State Representative