## THE GENERAL ASSEMBLY OF PENNSYLVANIA

## SENATE BILL

No. 826

Session of 2011

INTRODUCED BY BOSCOLA, RAFFERTY, FONTANA AND FERLO, MARCH 14, 2011

REFERRED TO ENVIRONMENTAL RESOURCES AND ENERGY, MARCH 14, 2011

## AN ACT

- Amending the act of July 7, 1980 (P.L.380, No.97), entitled "An act providing for the planning and regulation of solid waste 2 storage, collection, transportation, processing, treatment, 3 and disposal; requiring municipalities to submit plans for 4 municipal waste management systems in their jurisdictions; 5 authorizing grants to municipalities; providing regulation of the management of municipal, residual and hazardous waste; 7 requiring permits for operating hazardous waste and solid 8 waste storage, processing, treatment, and disposal 9 facilities; and licenses for transportation of hazardous 10 waste; imposing duties on persons and municipalities; 11 12 granting powers to municipalities; authorizing the Environmental Quality Board and the Department of 13 Environmental Resources to adopt rules, regulations, 14 standards and procedures; granting powers to and imposing 15 duties upon county health departments; providing remedies; 16 17 prescribing penalties; and establishing a fund," adding definitions; and further providing for submission of plans 18 and permits, for permits and licenses required, for granting 19 of permits and licenses and for bonds. 20 21 The General Assembly of the Commonwealth of Pennsylvania 22 hereby enacts as follows: 23 Section 1. Section 103 of the act of July 7, 1980 (P.L.380, 24 No.97), known as the Solid Waste Management Act, is amended by 25 adding definitions to read: 26 Section 103. Definitions.
- 27 The following words and phrases when used in this act shall

- 1 have, unless the context clearly indicates otherwise, the
- 2 meanings given to them in this section:
- 3 \* \* \*
- 4 <u>"Affected municipality." A municipality within one mile of a</u>
- 5 proposed municipal waste landfill, that is on an approach route
- 6 to a municipal waste landfill regulated by this act or that is
- 7 <u>otherwise adversely impacted by a facility.</u>
- 8 \* \* \*
- 9 <u>"Host municipality." The municipality other than the county</u>
- 10 within which a municipal waste landfill is located or is
- 11 proposed to be located.
- 12 \* \* \*
- 13 Section 2. Sections 502 and 503 of the act are amended by
- 14 adding subsections to read:
- 15 Section 502. Permit and license application requirements.
- 16 \* \* \*
- 17 (d.1) The application shall include all records, reports,
- 18 information and dispositions relating to violations of 75
- 19 Pa.C.S. Pt. IV (relating to vehicle characteristics). Such
- 20 <u>information shall be considered by the department when</u>
- 21 considering an application under this section.
- 22 \* \* \*
- 23 Section 503. Granting, denying, renewing, modifying, revoking
- and suspending permits and licenses.
- 25 \* \* \*
- 26 (b.1) No permit shall be issued for the siting of a new
- 27 <u>municipal waste landfill or the expansion of an existing</u>
- 28 municipal waste landfill in a municipality where a referendum
- 29 has been conducted pursuant to section 504.1 and the electorate
- 30 has voted against the siting of a new municipal waste landfill

- 1 or the expansion of an existing municipal waste landfill.
- 2 \* \* \*
- 3 (c.1) In carrying out the provisions of this act, the
- 4 <u>department may deny</u>, suspend, modify or revoke any permit or
- 5 <u>license if it finds that the applicant, permittee or licensee</u>
- 6 has failed or continues to fail to comply with the provisions of
- 7 75 Pa.C.S. Pt. IV (relating to vehicle characteristics).
- 8 \* \* \*
- 9 (f) (1) Any permit issued under this act for the operation
- of a municipal waste landfill shall be issued for a fixed
- 11 <u>term consistent with the approved operation and design plans</u>
- of a municipal waste landfill and may not exceed ten years.
- No municipal waste may be disposed of or processed at such a
- 14 <u>landfill after the expiration of the permit term. Expiration</u>
- of the permit term shall not limit the operator's
- 16 <u>responsibility for complying with the provisions under this</u>
- 17 act, the environmental protection acts, regulations
- 18 thereunder or the terms or conditions of the permit.
- 19 (2) The department shall, from time to time, but at
- intervals not to exceed two years, review a permit issued to
- 21 a municipal waste landfill under this act. In its review, the
- department shall evaluate the permit to determine whether it
- 23 <u>reflects currently applicable operating requirements as well</u>
- as current technology and management practices. The
- department may require modification, suspension or revocation
- of the permit when necessary to carry out the purposes of
- 27 <u>this act or the environmental protection acts.</u>
- 28 Section 3. The act is amended by adding a section to read:
- 29 <u>Section 504.1. Referendum on siting of municipal waste</u>
- 30 landfills or expansion of existing municipal waste

- 1 <u>landfills.</u>
- 2 (a) Prior to the approval of an application for a permit to
- 3 operate a municipal waste landfill or a permit to expand an
- 4 <u>existing municipal waste landfill's capacity by the governing</u>
- 5 body or the department, the county board of elections shall
- 6 conduct a binding referendum in the host municipality and all
- 7 <u>affected municipalities. The department shall not issue such a</u>
- 8 permit if a majority of the municipalities participating in the
- 9 referendum reject the proposed siting or expansion by a majority
- 10 vote of the electors in each municipality.
- 11 (b) The binding referendum shall be conducted at the first
- 12 primary, municipal or general election occurring at least 60
- 13 days after the department has notified the host county that it
- 14 has received an application for a permit to operate a municipal
- 15 <u>waste landfill or to expand the capacity of an existing</u>
- 16 facility.
- 17 (c) The results of the binding referendum shall be
- 18 transmitted to the department, the governing body of the county,
- 19 the host municipality and all affected municipalities.
- 20 (d) Procedures under this section shall be in accordance
- 21 with the act of June 3, 1937 (P.L.1333, No.320), known as the
- 22 "Pennsylvania Election Code."
- 23 Section 4. Section 505(a), (b) and (e) of the act are
- 24 amended and the section is amended by adding a subsection to
- 25 read:
- 26 Section 505. Bonds.
- 27 (a) With the exception of municipalities operating landfills
- 28 solely for municipal waste not classified hazardous, prior to
- 29 the commencement of operations, the operator of a municipal or
- 30 residual waste processing or disposal facility or of a hazardous

- 1 waste storage, treatment or disposal facility for which a permit
- 2 is required by this section shall file with the department a
- 3 bond for the land affected by such facility on a form prescribed
- 4 and furnished by the department. Such bond shall be payable to
- 5 the Commonwealth and conditioned so that the operator shall
- 6 comply with the requirements of this act, the act of June 22,
- 7 1937 (P.L.1987, No.394), known as "The Clean Streams Law," the
- 8 act of May 31, 1945 (P.L.1198, No.418), known as the "Surface
- 9 Mining Conservation and Reclamation Act," the act of January 8,
- 10 1960 (1959 P.L.2119, No.787), known as the "Air Pollution
- 11 Control Act," and the act of November 26, 1978 (P.L.1375,
- 12 No.325), known as the "Dam Safety and Encroachments Act." The
- 13 department may require additional bond amounts for the permitted
- 14 areas should such an increase be determined by the department to
- 15 be necessary to meet the requirements of this act. The amount of
- 16 the bond required shall be in an amount determined by the
- 17 secretary based upon the total estimated cost to the
- 18 Commonwealth of completing final closure according to the permit
- 19 granted to such facility and such measures as are necessary to
- 20 prevent adverse effects upon the environment; such measures
- 21 include but are not limited to satisfactory monitoring, post-
- 22 closure care, and remedial measures. The bond amount shall
- 23 reflect the additional cost to the Commonwealth which may be
- 24 entailed by being required to bring personnel and equipment to
- 25 the site. All permits shall be bonded for at least [\$10,000]
- 26 \$50,000. Liability under such bond shall be for the duration of
- 27 the operation, and for a period of up to [ten] 15 full years
- 28 after final closure of the permit site. Such bond shall be
- 29 executed by the operator and a corporate surety licensed to do
- 30 business in the Commonwealth and approved by the secretary:

- 1 Provided, however, That the operator may elect to deposit cash,
- 2 certificates of deposit, automatically renewable irrevocable
- 3 letters of credit which are terminable only upon 90 days written
- 4 notice to the operator and the department, or negotiable bonds
- 5 of the United States Government or the Commonwealth of
- 6 Pennsylvania, the Pennsylvania Turnpike Commission, the General
- 7 State Authority, the State Public School Building Authority, or
- 8 any municipality within the Commonwealth, with the department in
- 9 lieu of a corporate surety. The cash amount of such deposit,
- 10 irrevocable letters of credit or market value of such securities
- 11 shall be equal at least to the sum of the bond. The secretary
- 12 shall, upon receipt of any such deposit of cash or negotiable
- 13 bonds, immediately place the same with the State Treasurer,
- 14 whose duty it shall be to receive and hold the same in the name
- 15 of the Commonwealth, in trust, for the purposes for which such
- 16 deposit is made. The State Treasurer shall at all times be
- 17 responsible for the custody and safekeeping of such deposits.
- 18 The operator making the deposit shall be entitled from time to
- 19 time to demand and receive from the State Treasurer, on the
- 20 written order of the secretary, the whole or any portion of any
- 21 collateral so deposited, upon depositing with him, in lieu
- 22 thereof, other collateral of the classes herein specified having
- 23 a market value at least equal to the sum of the bond, also to
- 24 demand, receive and recover the interest and income from said
- 25 negotiable bonds as the same becomes due and payable: Provided,
- 26 however, That where negotiable bonds, deposited as aforesaid,
- 27 mature or are called, the State Treasurer, at the request of the
- 28 permittee, shall convert such negotiable bonds into such other
- 29 negotiable bonds of the classes herein specified as may be
- 30 designated by the permittee: And provided further, That where

- 1 notice of intent to terminate a letter of credit is given, the
- 2 department shall, after 30 days written notice to the operator
- 3 and in the absence of a replacement of such letter of credit
- 4 within such 30-day period by the operator with other acceptable
- 5 bond guarantees provided herein, draw upon and convert such
- 6 letter of credit into cash and hold it as a collateral bond
- 7 guarantee. <u>In addition to criteria contained in department</u>
- 8 regulations relating to the adjustment of bond or trust amounts
- 9 and bond forfeiture, the department may require an operator to
- 10 <u>deposit additional bond or trust amounts based on the compliance</u>
- 11 history of the facility.
- 12 (a.1) The department may provide by regulation that the
- 13 <u>amount of the bond required reflect the potential liabilities</u>
- 14 and costs associated with the transportation of solid waste to a
- 15 facility.
- 16 (b) In the case of applications for permits where the
- 17 department determines that the operations are reasonably
- 18 anticipated to continue for a period of at least ten years from
- 19 the date of application, the operator may elect to deposit
- 20 collateral and file a collateral bond as provided in subsection
- 21 (a) according to the following phase deposit schedule. The
- 22 operator shall, prior to commencing operations, deposit [\$10,000
- 23 or 25%] \$50,000 or 50% of the amount of the bond determined
- 24 under subsection (a), whichever is greater. The operator shall,
- 25 thereafter, annually deposit 10% of the remaining bond amount
- 26 for a period of ten years. Interest accumulated by such
- 27 collateral shall become a part of the bond. The department may
- 28 require additional bonding at any time to meet the intent of
- 29 subsection (a). The collateral shall be deposited in trust, with
- 30 the State Treasurer as provided in subsection (a) or with a

- 1 bank, selected by the department, which shall act as trustee for
- 2 the benefit of the Commonwealth, according to rules and
- 3 regulations promulgated hereunder, to quarantee the operator's
- 4 compliance with this act and the statutes enumerated in
- 5 subsection (a). The operator shall be required to pay all costs
- 6 of the trust. The collateral deposit, or part thereof, shall be
- 7 released of liability and returned to the operator, together
- 8 with a proportional share of accumulated interest, upon the
- 9 conditions of and pursuant to the schedule and criteria for
- 10 release provided in this act.
- 11 \* \* \*
- 12 (e) Prior to the issuance of any license for the
- 13 transportation of hazardous waste, the applicant for a license
- 14 shall file with the department a collateral bond on a form
- 15 prescribed and furnished by the department. Such bond shall be
- 16 payable to the Commonwealth and conditioned upon compliance by
- 17 the licensee with every requirement of this act, rule and
- 18 regulation of the department, order of the department and term
- 19 and condition of the license. The amount of the bond required
- 20 shall be in an amount determined by the secretary, but in an
- 21 amount no less than [\$10,000] \$50,000. The department may
- 22 require additional bond amounts if the department determines
- 23 such additional amounts are necessary to guarantee compliance
- 24 with this act. The licensee may elect to deposit cash or
- 25 automatically renewable irrevocable letters of credit which are
- 26 terminable only upon 90 days written notice to the operator and
- 27 the department, or negotiable bonds of the United States
- 28 Government or the Commonwealth of Pennsylvania, the Pennsylvania
- 29 Turnpike Commission, the General State Authority, the State
- 30 Public School Building Authority, or any municipality within the

- 1 Commonwealth. No corporate surety bond is authorized by this
- 2 subsection. The cash amount of such deposit, irrevocable letters
- 3 of credit, or market value of such securities shall be equal at
- 4 least to the sum of the bond. The secretary shall, upon receipt
- 5 of any such deposit of cash or negotiable bonds, immediately
- 6 place the same with the State Treasurer, whose duty it shall be
- 7 to receive and hold the same in the name of the Commonwealth, in
- 8 trust, for the purposes for which such deposit is made. The
- 9 State Treasurer shall at all times be responsible for the
- 10 custody and safekeeping of such deposits. The licensee making
- 11 the deposit shall be entitled from time to time to demand and
- 12 receive from the State Treasurer, on the written order of the
- 13 secretary, the whole or any portion of any collateral so
- 14 deposited, upon depositing with him, in lieu thereof, other
- 15 collateral of the classes herein specified having a market value
- 16 at least equal to the sum of the bond, also to demand, receive
- 17 and recover the interest and income from said negotiable bonds
- 18 as the same becomes due and payable: Provided, however, That
- 19 where negotiable bonds, deposited as aforesaid, mature or are
- 20 called, the State Treasurer, at the request of the licensee,
- 21 shall convert such negotiable bonds into such other negotiable
- 22 bonds of the classes herein specified as may be designated by
- 23 the licensee: And provided further, That where notice of intent
- 24 to terminate a letter of credit is given, the department shall,
- 25 after 30 days written notice to the licensee and in the absence
- 26 of a replacement of such letter of credit within such 30-day
- 27 period by the licensee with other acceptable bond guarantees
- 28 provided herein, draw upon and convert such letter of credit
- 29 into cash and hold it as a collateral bond quarantee. Liability
- 30 under such bond shall be for the duration of the license and for

- 1 a period of one year after the expiration of the license.
- 2 \* \* \*
- 3 Section 5. This act shall take effect in 60 days.