

HCS SCS SB 445 -- ENVIRONMENTAL PROTECTION

SPONSOR: Romine (Miller)

COMMITTEE ACTIONS: Voted "Do Pass with Amendments" by the Standing Committee on Energy and the Environment by a vote of 9 to 2. Voted "Do Pass with HCS" by the Select Committee on Utilities by a vote of 11 to 0.

This bill changes the laws relating to environmental protection.

SOLID WASTE

The bill changes the laws related to solid waste. In its main provisions, the bill:

(1) Changes the provisions regarding the audit of solid waste management districts by the State Auditor. Currently, the State Auditor must conduct an audit of each solid waste management district and must thereafter conduct audits of each district as he or she deems necessary and may request reimbursement from the district for the costs of conducting the audit. The bill allows the State Auditor to conduct audits of solid waste management districts as he or she deems necessary and if the State Auditor does request the reimbursement, the district must reimburse the State Auditor for the costs with the moneys deposited into the Petition Audit Revolving Trust Fund. The reimbursement must be limited to 2% of the district's annual allocation;

(2) Revises the independent financial audit requirements. A district receiving more than \$800,000 of financial assistance annually must have an annual independent financial statement audit, while districts receiving between \$250,000 and \$800,000 are required to have an independent financial statement audit every two years. All other districts must be monitored every two years by the department and may be required to arrange for an independent financial statement audit for the monitoring period under review. Currently, a district receiving \$200,000 or more of financial assistance annually is required to have an annual independent financial audit while districts receiving less than \$200,000 are required to have the audit at least every two years;

(3) Requires the department to conduct a performance audit of grants to each district at least once every five years or as deemed necessary based upon district grantee performance. Currently, the department must conduct a performance audit of grants to each district at least once every three years;

(4) Adds textiles to the products solid waste management districts

are required to address the recycling, reuse and handling of in its solid waste management plan;

(5) Prohibits the executive board of a solid waste management district from performing solid waste management projects that compete with a qualified private enterprise;

(6) Specifies that a person or entity cannot be disqualified from receiving a grant for providing solid waste management and recycling services on the basis that there exists a familial relationship between the applicant and any member of the solid waste management district executive board within the fourth degree by consanguinity or affinity. For applicants with a familial relationship, the board must only approve the grant application if approved by a vote of two-thirds of the board. The executive board member must abstain from a vote to award a grant application to any person or entity who is a relative within the specified degree or the member must forfeit membership on the solid waste management district executive board and the solid waste management district council;

(7) Requires the department to prepare model solid waste management plans;

(8) Requires the model waste management plans to provide for economical recycling and waste management through regional and district cooperation. Currently, it requires the plan to provide for economical waste management through regional cooperation;

(9) Repeals the provisions requiring any county within a region that is not a member of a district to submit a solid waste management plan to the department;

(10) Extends the moratorium on increasing the demolition landfill tipping fee and the transfer station tipping fee from October 1, 2017, to October 1, 2027;

(11) Establishes the criteria that a solid waste management district may consider in establishing the order of district grant priority. Any allocated district moneys remaining in any fiscal year due to inadequate grant applications must be reallocated for grant applications in subsequent years or for solid waste projects other than district operations. Any allocated district moneys remaining after five years must revert to the Solid Waste Management Fund;

(12) Establishes a time line for the department to approve or deny a grant application;

(13) Revises the membership and duties of the Solid Waste Advisory Board; and

(14) Requires the board hold regular meetings on a quarterly basis. A special meeting of the board may occur under certain conditions.

#### STATE ENERGY PLANS

The bill requires any comprehensive state energy plan developed by the Division of Energy within the Department of Economic Development to be approved by the General Assembly before it is adopted and implemented.

#### SULFUR DIOXIDE AIR QUALITY

The bill requires any owner of a coal-fired electric generating source in a one-hour sulfur dioxide National Ambient Air Quality Standards nonattainment area currently designated as of April 1, 2015, to develop an ambient air quality monitoring or modeling network to characterize the sulfur dioxide air quality surrounding the source. The network must adequately monitor the sulfur dioxide surrounding the source and must operate for at least 12 consecutive quarters. The owner of the source must notify the Department of Natural Resources of the manner that will be used to characterize the air quality around the source. The location of any monitoring network installed by the owner within a nonattainment area must be approved by the department.

Affected sources in an undesignated area that elects to use monitoring to evaluate air quality must be consulted by the department on the use of existing monitors as well as the location of new monitors in the network. The department must not submit a recommendation to the federal Environmental Protection Agency (EPA) on the manner in which data will be gathered for the designation process that is inconsistent with the elections made by the sources. If sources have elected to monitor, the department must submit recommendations for the designation process by the date set by a final, effective, and applicable EPA requirement but not prior.

The bill also requires the department to consider all ambient air quality monitoring network data collected by any owner of an electric generating source prior to proposing to the Air Conservation Commission any sulfur dioxide limitation, emission reduction requirement, or other requirement except in specified circumstances. Nothing in the provisions of the bill can prohibit the department from entering into an agreement with an owner of an electric generating source to limit or reduce sulfur dioxide

emissions that is below the source's permitted rate.

PROPONENTS: Supporters say that the bill provides a common sense approach to compliance with federal sulfur dioxide regulations. Since 2007, Ameren has spent almost \$1 billion to comply with environmental regulations and giving industry the choice to either use monitoring or modeling to determine compliance with the sulfur regulations will provide flexibility and save money for the customers as an outcome.

Testifying for the bill were Senator Romine; Ameren Missouri; Missouri Energy Development Association; and Associated Industries of Missouri.

OPPONENTS: There was no opposition voiced to the committee.