

## Why & How to Advance composting in New Mexico

- NMDA SCS Engineers Study emphasized building up grant program(s) [voluntary incentives]
- Education & Outreach
- Waste Characterization Study
- Feed stock mapping
- Building on 2026 Legislation calling for a pass through fee like 34 other states do
- Mini Land of Enchantment Legacy Fund for Composting & Food Recovery?
- Other ideas for recurring funding

# Compost Generation and Use in New Mexico: A study commissioned by the New Mexico Department of Agriculture's Healthy Soil Program

**SCS ENGINEERS**

01224139.00 | May 23, 2025

4683 Chabot Drive, Suite 200  
Pleasanton, CA 94588  
925-426-0080

## 9.0 KEY FINDINGS AND RECOMMENDATIONS

This study includes an in-depth analysis of the various compost practices and related activities in New Mexico and neighboring states. The objective of the research was to identify ways to increase both production and use of compost within the state of New Mexico. Below, the project team documents key findings and recommendations of our research.

### 9.1 KEY FINDINGS

Composting is regulated by the New Mexico Environment Department's Solid Waste Bureau, which requires the submission of a registration application prior to commencement of composting operations. Additional registrations or permits may be required by other state and federal agencies, depending on the type of feedstocks received for composting and surface and ground water discharge. Some composting facilities, such as those handling biosolids, must meet stricter requirements around human pathogen reduction and metals concentrations. Finished compost, a product that is considered ready for sale, is considered a soil conditioner by the New Mexico Fertilizer Act and in certain cases requires product registration with the New Mexico Department of Agriculture along with a quarterly tonnage report and associated inspection fee. The Food Safety Modernization Act (FSMA) provides specific requirements on compost producers who intend to sell their compost to growers of crops covered by FSMA. The requirements align with the existing U.S. EPA's Process to Further Reduce Pathogens.

The team conducted research on organic waste streams in the state, largely dependent on available data provided by the NMED Solid Waste Bureau. Our findings indicate that the state's overall generation of waste has remained flat over the last eight years, at roughly 3.1 million tons per year, and diversion has averaged around 505,000 tons per year. More detailed information about the composition of materials categorized as municipal solid waste were approximated to gain a general sense of the type and quantity of organic waste that could be present in the landfill bound municipal solid waste category. Our research also identified that there are data gaps that limit our understanding of the quantity of compostable materials generated in the state.

From an urban perspective, organic waste generation tends to originate at residential and commercial locations in the form of yard trimmings and food waste. Source-separated collection of these organic waste streams tends to be limited – the majority goes to the landfill. In rural and agricultural settings, top agricultural markets such as dairy and pecans tend to generate significant amounts of organic waste. The dairy industry generates an estimated 6.3 to 6.8 million tons of manure while the pecan industry generates approximately 250,000 tons of leaf, shell, and branch waste. Additional streams of organic waste occur in the timber industry and through some forestry related projects on public lands. The timber industry tends to use its wood residue to reduce costs or for sale to other markets, while forestry management projects tends to lack data on the final use of forest slash.

The production of compost is tied to the availability of feedstocks. Feedstocks that are relatively contaminant free and generated within proximity to a composting facility tend factor significantly into the success of a composting operation. Access to consumers of composting products is also a key aspect for compost producers to find success.

Using the Solid Waste Bureau's annual reporting data aggregated over an eight-year period, there is an estimated 300,000 tons of annual compost processing capacity. Factoring in mass reduction due to the

composting process and the screening process which removes coarse materials, an estimated range of 50,000 to 90,000 tons (100,000 to 180,000 cubic yards) of compost is produced each year.

A number of barriers were presented in terms of increasing compost production in the state, and those barriers vary for urban and rural compost producers. Compost producers that service residential and commercial centers must strike a balance between proximity to feedstocks/consumers and siting their operations on land that is properly zoned and distant from potentially resistant neighboring land uses. Rural compost production is impaired by the distances that collection vehicles must travel to capture enough organic waste for efficient compost production.

Education and outreach promotes awareness and understanding of the benefits of composting. As noted in the research, public knowledge can influence both production and use of compost. Survey findings indicate a significant gap in the educational messaging concerning organic waste diversion and composting in New Mexico. The discrepancies are particularly evident between urban and rural counties.

New Mexico faces challenges in promoting composting education statewide due to geographic diversity, variety of composting methods, and limited composting capacity. The lack of city- or county-wide composting programs and the lack of organics disposal bans also pose a challenge. Efforts to increase composting in New Mexico should consider diverse interests and familiarity levels with composting among the population.

A series of case studies highlight current operations in New Mexico, both their successes and challenges. Lescombes Family Vineyards has implemented an on-farm composting program since 2008, enhancing soil productivity and reducing reliance on chemical inputs. Despite its success, the vineyard faces challenges including limited feedstock availability, and high transportation costs. Reunity Resources focuses on sustainable solutions for organic waste management through food scrap diversion and composting. Despite facing challenges related to equipment and infrastructure, the facility's commitment to sustainability, community engagement, and environmental stewardship demonstrates the importance of composting as a solution to organic waste management. Soilutions have had challenges such as limited access to carbon feedstocks. However, this case highlights the potential for composting to significantly reduce landfill bound organic waste while promoting the benefits compost has on soil health and environmental sustainability.

Our research on neighboring states identified some key differences in how compost facilities are regulated. Colorado and Texas both have permitting tiers that consider feedstock type and/or quantity of feedstock received at the facility. Arizona and Utah do not set thresholds for a permitting structure, generally have fewer requirements for compost producers, and typically require that the environmental agency be notified of a composting operation and/or submission of a general plan of operations to serve as a registration.

We also highlighted several successful composting models found in neighboring states, such as the public-private partnership between the City of Phoenix and Denali WeCare, where the partnership manages a 27-acre composting facility processing 55,000 tons of residential and commercial feedstock per year.

Supporting the composting industry can include strategies that promote the procurement of compost through procurement policies. An example procurement policy is discussed along with two states that have implemented compost procurement policies requiring jurisdictions to purchase compost for use in a wide range of acceptable projects.

Financial assistance through federal programs encourages compost production and use in the state. The USDA's Natural Resources Conservation Service provides financial assistance through several programs which can help incentivize production and use of compost. Additionally, the U.S. EPA has made significant investments in the form of grants to increase composting infrastructure in the United States. At the time of this writing, the future of these programs and the availability of their funds is uncertain, given the federal government's focus on reducing spending.

## 9.2 RECOMMENDATIONS

SCS Engineers and its project team compiled the following recommendations throughout the course of this study.

### 9.2.1 Funding Strategies

To increase the generation of compost in New Mexico, a multi-faceted approach is needed to build public and private interest in developing source-separation and collection programs for organic waste. Interest already exists in the state in the form of seasonal yard-waste collection programs, private residential source-separated organics-collection programs, and commercial composting facilities.

Increasing the generation of compost relies on both direct and indirect drivers. Public policies and programs can drive residents toward centralized organic waste diversion, which directly increases the tonnage of organics available for composting. Investment in organics processing infrastructure, from collections vehicles to composting facilities, directly increases the capacity and total throughput of organic waste management.

Market demand for compost is also fundamental for the composting industry to grow. From a jurisdictional perspective, this is an area where NMDA has the greatest potential. Driving demand for compost improves the financial strength of the composting industry and brings confidence to investors considering financing composting infrastructure. As we highlighted in this report, there are several federal programs that support the use of compost on New Mexico's agricultural lands. There are also federal bills that, if passed, could inject capital into the composting industry.

One challenge that exists for compost producers is the scale or throughput of their operations. In a report by the Composting Consortium the authors discuss dollar markets and volume markets<sup>13</sup>. Agriculture is a traditional volume market, prices for compost must be low and the volume of compost must be high for agricultural producers to gain value from compost application. Small-scale compost producers, such as those producing less than 40,000 tons per year, rely on dollar markets where the price per cubic yard is high in comparison to prices found in volume markets. Small compost producers may not be able to sustain their businesses by selling to the agricultural market alone.

The project team's recommendation to support the use of compost in additional markets is to invest grant money to support a wide portfolio of compost users (within the context of grant eligibility).

---

<sup>13</sup> Unleashing the Economic and Environmental Potential for Food Waste Composting in the U.S., Composting Consortium.



6

## **New Mexico SB 46 Sponsored by Senator Pete Campos Commissioning a Statewide Waste Characterization Study**

Providing \$130,000 of funding for a "boots on the ground" audit of New Mexico's municipal solid waste to learn how much organic waste (food scraps and green waste (like yard trimmings, leaves, etc.) we have in the solid waste stream, and to learn the overall composition of our trash.

### **Key Points of SB 46**

- This study, including the necessary field work, provides a direct sampling of waste at landfills and transfer stations across New Mexico.
- Organic Waste Assessment: Quantifying food waste, yard waste, and paper products that are currently being landfilled.
- Pollution Analysis: Determining the environmental impact of current disposal methods.
- Economic Impacts: Analyzing the economic potential of diverting waste through composting or recycling, compared to the cost of landfilling.

### **Why This Study Matters**

- Reducing Landfill Pollution: Organic waste in landfills produces methane and leachate, leading to contamination of soil and water, and air pollution.
- Data from the study will help the New Mexico Environment Department design better, more efficient waste management solutions.
- Economic Opportunity: Identifying valuable materials in the waste stream spurs creation of local recycling and composting businesses.
- Supports New Mexico's overall goals for improving sustainability and protecting public health.

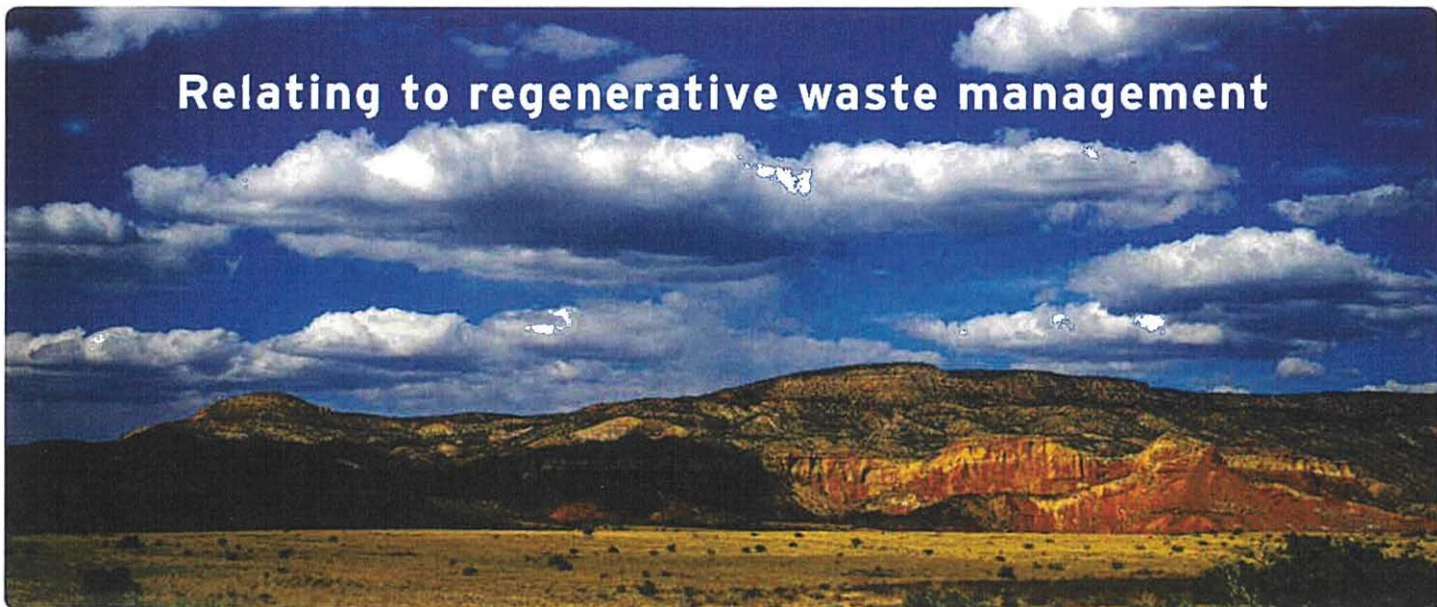
### **Expected Outcomes**

- A comprehensive, baseline report detailing the composition of New Mexico's waste.
- Actionable recommendations on waste reduction and diversion policies.
- Information to help local governments reduce landfill fees and environmental liabilities.

**For more information contact Robb Hirsch, NM Healthy Soil Working Group**  
**(505) 603-1976 / [robb@takeresponsibility.us](mailto:robb@takeresponsibility.us) / [www.nmhealthysoil.org](http://www.nmhealthysoil.org)**

# SB47 / HB319 – FOOD RECOVERY & COMPOSTING ACT

Relating to regenerative waste management



**CO-SPONSORS: SENATOR PETE CAMPOS, SENATOR LIZ STEFANICS,  
AND REPRESENTATIVE KRISTINA ORTEZ**

*For just a few dollars a year per adult, we can reduce pollution, lower long-term trash related costs, support agriculture, and make our communities healthier. Few public policy ideas offer that kind of return. Composting organic waste is one of them.*  
– Senator Peter Campos

## BILL SUMMARY

Issuing a state surcharge on solid waste disposal (like 34 other states including Texas, Oklahoma and Nebraska have in place) costing us less than \$4 dollars per adult annually; generating about \$5 million every year for NMED's RAID grant program; funding counties, municipalities, solid waste authorities and many others; advancing a suite of resource recovery initiatives including composting, food recovery and other organic waste reduction across New Mexico.

**Let's pass this bill together and  
turn waste into opportunity for New Mexico!**

# BENEFITS OF PASSING SB47 / HB319

- Helps reduce hunger & fortify health by ramping up food recovery efforts which keep nutritious food out of the trash & gets it to people who need it.
- Creates jobs and grows local businesses by majorly ramping up grant funding, repurposing organic waste, and modernizing solid waste facilities.
- Restores New Mexico's land by accelerating on-farm composting and widespread compost application that regenerate the soil.
- Saves water by expanding compost use, which helps soil absorb and hold more moisture.
- Improves public health by diverting organic waste in the landfills and by more nutritious food grown in compost-rich soils that require fewer toxic inputs.
- Reduces waste statewide & brings down costs in the long run by pooling our resources and together investing in regenerative waste management solutions.
- Significantly reduces pollution (soil and water contamination, ghg emissions and air pollution) by keeping organic waste out of landfills.

## PARTNERS

A growing list of stakeholder endorsements for the Food Recovery and Composting Act:

- Ciudad Soil & Water Conservation District
- Coalition of Sustainable Communities New Mexico
- Compost Coalition
- Conservation Voters New Mexico
- Farm and Ranch Freedom Alliance
- National Stewardship Action Council
- New Mexico Acequia Association
- New Mexico Association of Conservation Districts
- New Mexico Environment Department
- New Mexico Farmers' Marketing Association
- New Mexico Food & Ag Policy Council
- New Mexico Healthy Soil Working Group
- New Mexico Interfaith Power & Light
- New Mexico Recycling Coalition
- Pueblo of Santa Ana
- Pueblo of Tesuque
- Reunity Resources
- Rio Grande Chapter of the Sierra Club
- Rocky Mountain Farmers Union
- Soilutions

## CONTACT

For more information contact:

Robb Hirsch

New Mexico Healthy Soil Working Group

Robb@TakeResponsibility.US • (505) 603-1976

[nmhealthysoil.org](http://nmhealthysoil.org)



## HOUSE BILL

## 57TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2026

INTRODUCED BY

DISCUSSION DRAFT

## AN ACT

RELATING TO WASTE MANAGEMENT; IMPOSING A SURCHARGE ON SOLID WASTE DISPOSAL TO SUPPORT GRANTS AVAILABLE UNDER THE RECYCLING, CIRCULAR ECONOMY AND ILLEGAL DUMPING ACT; CLARIFYING THAT FOOD RECOVERY, COMPOSTING AND ORGANIC WASTE REDUCTION INITIATIVES ARE ELIGIBLE FOR GRANTS UNDER THE RECYCLING, CIRCULAR ECONOMY AND ILLEGAL DUMPING ACT; DISTRIBUTING THE REVENUE ATTRIBUTABLE TO THE SURCHARGE TO THE RECYCLING AND ILLEGAL DUMPING FUND.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 7-1-2 NMSA 1978 (being Laws 1965, Chapter 248, Section 2, as amended) is amended to read:

"7-1-2. APPLICABILITY.--The Tax Administration Act applies to and governs:

A. the administration and enforcement of the following taxes or tax acts as they now exist or may hereafter

.233458.3

1 be amended:

- 2 (1) Income Tax Act;
- 3 (2) Withholding Tax Act;
- 4 (3) Oil and Gas Proceeds and Pass-Through
- 5 Entity Withholding Tax Act;
- 6 (4) Gross Receipts and Compensating Tax Act,
- 7 Interstate Telecommunications Gross Receipts Tax Act and Leased
- 8 Vehicle Gross Receipts Tax Act;
- 9 (5) Liquor Excise Tax Act;
- 10 (6) Local Liquor Excise Tax Act;
- 11 (7) any municipal local option gross receipts
- 12 tax or municipal compensating tax;
- 13 (8) any county local option gross receipts tax
- 14 or county compensating tax;
- 15 (9) Special Fuels Supplier Tax Act;
- 16 (10) Gasoline Tax Act;
- 17 (11) petroleum products loading fee, which fee
- 18 shall be considered a tax for the purpose of the Tax
- 19 Administration Act;
- 20 (12) Alternative Fuel Tax Act;
- 21 (13) Cigarette Tax Act;
- 22 (14) Estate Tax Act;
- 23 (15) Railroad Car Company Tax Act;
- 24 (16) Investment Credit Act, rural job tax
- 25 credit, Laboratory Partnership with Small Business Tax Credit

.233458.3

underscored material = new  
[bracketed material] = delete

- 1 Act, Technology Jobs and Research and Development Tax Credit  
2 Act, Film Production Tax Credit Act, Affordable Housing Tax  
3 Credit Act and high-wage jobs tax credit;
- 4 (17) Corporate Income and Franchise Tax Act;  
5 (18) Uniform Division of Income for Tax  
6 Purposes Act;
- 7 (19) Multistate Tax Compact;  
8 (20) Tobacco Products Tax Act;  
9 (21) the telecommunications relay service  
10 surcharge imposed by Section 63-9F-11 NMSA 1978, which  
11 surcharge shall be considered a tax for the purposes of the Tax  
12 Administration Act;
- 13 (22) the Insurance Premium Tax Act;  
14 (23) the Health Care Quality Surcharge Act;  
15 (24) the Cannabis Tax Act; and  
16 (25) the Health Care Delivery and Access Act;
- 17 B. the administration and enforcement of the  
18 following taxes, surtaxes, advanced payments or tax acts as  
19 they now exist or may hereafter be amended:
- 20 (1) Resources Excise Tax Act;  
21 (2) Severance Tax Act;  
22 (3) any severance surtax;  
23 (4) Oil and Gas Severance Tax Act;  
24 (5) Oil and Gas Conservation Tax Act;  
25 (6) Oil and Gas Emergency School Tax Act;

.233458.3

1 (7) Oil and Gas Ad Valorem Production Tax Act;  
2 (8) Natural Gas Processors Tax Act;  
3 (9) Oil and Gas Production Equipment Ad  
4 Valorem Tax Act;

5 (10) Copper Production Ad Valorem Tax Act;  
6 (11) any advance payment required to be made  
7 by any act specified in this subsection, which advance payment  
8 shall be considered a tax for the purposes of the Tax  
9 Administration Act;

10 (12) Enhanced Oil Recovery Act;  
11 (13) Natural Gas and Crude Oil Production  
12 Incentive Act; and

13 (14) intergovernmental production tax credit  
14 and intergovernmental production equipment tax credit;

15 C. the administration and enforcement of the  
16 following taxes, surcharges, fees or acts as they now exist or  
17 may hereafter be amended:

18 (1) Weight Distance Tax Act;

19 (2) the workers' compensation fee authorized  
20 by Section 52-5-19 NMSA 1978, which fee shall be considered a  
21 tax for purposes of the Tax Administration Act;

22 (3) Uniform Unclaimed Property Act (1995);

23 (4) 911 emergency surcharge and the network  
24 and database surcharge, which surcharges shall be considered  
25 taxes for purposes of the Tax Administration Act;

.233458.3

1 (5) the solid waste assessment fee authorized  
2 by the Solid Waste Act, which fee shall be considered a tax for  
3 purposes of the Tax Administration Act;

4 (6) the water conservation fee imposed by  
5 Section 74-1-13 NMSA 1978, which fee shall be considered a tax  
6 for the purposes of the Tax Administration Act; ~~and~~

7 (7) the gaming tax imposed pursuant to the  
8 Gaming Control Act; and

9 (8) the regenerative waste management  
10 surcharge authorized by the Recycling, Circular Economy and  
11 Illegal Dumping Act, which surcharge shall be considered a tax  
12 for purposes of the Tax Administration Act; and

13 D. the administration and enforcement of all other  
14 laws, with respect to which the department is charged with  
15 responsibilities pursuant to the Tax Administration Act, but  
16 only to the extent that the other laws do not conflict with the  
17 Tax Administration Act."

18 SECTION 2. A new section of the Tax Administration Act,  
19 Section 7-1-6.74 NMSA 1978, is enacted to read:

20 "7-1-6.74. [NEW MATERIAL] DISTRIBUTION--REGENERATIVE  
21 WASTE MANAGEMENT SURCHARGE.--A distribution pursuant to the  
22 provisions of Section 7-1-6.1 NMSA 1978 of the net receipts  
23 attributable to the regenerative waste management surcharge  
24 shall be distributed to the recycling and illegal dumping  
25 fund."

.233458.3

1           **SECTION 3.** Section 74-13-3 NMSA 1978 (being Laws 2005,  
2 Chapter 171, Section 3, as amended) is amended to read:

3           "74-13-3. DEFINITIONS.--As used in the Recycling,  
4 Circular Economy and Illegal Dumping Act:

5           A. "abatement" means to reduce in amount, degree or  
6 intensity or to eliminate;

7           B. "agricultural use" means the beneficial use of  
8 scrap tires in conjunction with the operations of a farm or  
9 ranch that includes construction projects and aids in the  
10 storage of feed;

11           C. "alliance" means the recycling, circular economy  
12 and illegal dumping alliance;

13           D. "board" means the environmental improvement  
14 board;

15           E. "circular economy" means an economy that uses a  
16 systems-focused approach and involves industrial processes and  
17 economic activities that:

18                   (1) are restorative or regenerative by design;

19                   (2) enable resources used in such processes  
20 and activities to maintain their highest values for as long as  
21 possible; and

22                   (3) aim for the elimination of waste through  
23 the superior design of materials, products and systems,  
24 including business models;

25           F. "civil engineering application" means the use of

.233458.3

1 scrap tires or other recycled material in conjunction with  
2 other aggregate materials in engineering applications;

3 G. "composting" means the process by which  
4 biological decomposition of organic material is carried out  
5 under controlled conditions and the process stabilizes the  
6 organic fraction into a material that can be easily and safely  
7 stored, handled and used in an environmentally acceptable  
8 manner;

9 H. "composting facility" means a facility, other  
10 than a transformation facility, that:

11 (1) is capable of providing biological  
12 stabilization of organic material;

13 (2) accepts only source-separated compostable  
14 materials; and

15 (3) is registered with the department;

16 [~~H.~~] I. "cooperative association" means a refuse  
17 disposal district created pursuant to the Refuse Disposal Act,  
18 a sanitation district created pursuant to the Water and  
19 Sanitation District Act, a special district created pursuant to  
20 the Special District Procedures Act or other associations  
21 created pursuant to the Joint Powers Agreements Act or the  
22 Solid Waste Authority Act;

23 [~~I.~~] J. "department" means the department of  
24 environment;

25 [~~J.~~] K. "dispose" means to deposit scrap tires or

.233458.3

1 solid waste into or on any land or water;

2 [K.] L. "household" means any single and multiple  
3 residence, hotel or motel, bunkhouse, ranger station, crew  
4 quarters, campground, picnic ground or day-use recreation area;

5 [L.] M. "illegal dumping" means disposal of trash,  
6 scrap tires or any solid waste in a manner that violates the  
7 Solid Waste Act or the Recycling, Circular Economy and Illegal  
8 Dumping Act;

9 [M.] N. "illegal dumpsite" means a place where  
10 illegal dumping has occurred, except as stated in Subsection A  
11 of Section 74-13-4 NMSA 1978;

12 O. "landfill" means a solid waste facility having a  
13 valid permit or registration issued pursuant to the provisions  
14 of the Solid Waste Act or regulations adopted pursuant to that  
15 act or registration issued pursuant to the Environmental  
16 Improvement Act that receives solid waste for disposal;

17 [N.] P. "market development" means activities to  
18 expand or create markets for recyclable and reusable materials  
19 that foster a circular economy;

20 [O.] Q. "motor vehicle" means a vehicle or device  
21 that is propelled by an internal combustion engine or electric  
22 motor power that is used or may be used on the public highways  
23 for the purpose of transporting persons or property and  
24 includes any connected trailer or semitrailer;

25 [P.] R. "processing" means techniques to change

.233458.3

17

1 physical, chemical or biological character or composition of  
2 solid waste but does not include composting, transformation or  
3 open burning;

4 [Q-] S. "recycling" means any process by which  
5 recyclable materials are collected, separated or processed and  
6 reused or returned to use in the form of raw materials or  
7 products;

8 [R-] T. "reuse" means the return of a commodity  
9 into the economic stream without a change to its original form;

10 [S-] U. "scrap tire" means a tire that is no longer  
11 suitable for its originally intended purpose because of wear,  
12 damage or defect;

13 [T-] V. "scrap tire baling" means the process by  
14 which scrap tires are mechanically compressed and bound into  
15 block form;

16 [U-] W. "scrap tire generator" means a person who  
17 generates scrap tires, including retail tire dealers,  
18 retreaders, scrap tire processors, automobile dealers,  
19 automobile salvage yards, private company vehicle maintenance  
20 shops, garages, service stations and city, county and state  
21 government but does not include persons who generate scrap  
22 tires in a household or in agricultural operations;

23 [V-] X. "scrap tire hauler" means a person who  
24 transports scrap tires for hire for the purpose of recycling,  
25 disposal, transformation or use in a civil engineering

.233458.3

underscored material = new  
[bracketed material] = delete

1 application;

2 [W.] Y. "secretary" means the secretary of  
3 environment;

4 Z. "solid waste" means any garbage, refuse, sludge  
5 from a waste treatment plant, water supply treatment plant or  
6 air pollution control facility and other discarded material,  
7 including solid, liquid, semisolid or contained gaseous  
8 material resulting from industrial, commercial, mining and  
9 agricultural operations and from community activities. "Solid  
10 waste" does not include:

11 (1) drilling fluids, produced waters and other  
12 non-domestic wastes associated with the exploration,  
13 development or production, transportation, storage, treatment  
14 or refinement of crude oil, natural gas, carbon dioxide gas or  
15 geothermal energy;

16 (2) fly ash waste, bottom ash waste, slag  
17 waste and flue gas emission control waste generated primarily  
18 from the combustion of coal or other fossil fuels and wastes  
19 produced in conjunction with the combustion of fossil fuels  
20 that are necessarily associated with the production of energy  
21 and that traditionally have been and actually are mixed with  
22 and are disposed of or treated at the same time with fly ash,  
23 bottom ash, boiler slag or flue gas emission control wastes  
24 from coal combustion;

25 (3) waste from the extraction, beneficiation

.233458.3

1 and processing of ores and minerals, including phosphate rock  
2 and overburden from the mining of uranium ore, coal, copper,  
3 molybdenum and other ores and minerals;

4 (4) agricultural waste, including, but not  
5 limited to, manures and crop residues returned to the soil as  
6 fertilizer or soil conditioner;

7 (5) cement kiln dust waste;

8 (6) sand and gravel;

9 (7) solid or dissolved material in domestic  
10 sewage or solid or dissolved materials in irrigation return  
11 flows or industrial discharges that are point sources subject  
12 to permits under Section 402 of the Federal Water Pollution  
13 Control Act, 33 U.S.C. Section 1342, or source, special nuclear  
14 or byproduct material as defined by the Atomic Energy Act of  
15 1954, 42 U.S.C. Section 2011 et seq.;

16 (8) densified-refuse-derived fuel; or

17 (9) any material regulated by Subtitle C of  
18 the federal Resource Conservation and Recovery Act of 1976,  
19 substances regulated by the federal Toxic Substances Control  
20 Act or low-level radioactive waste;

21 ~~[X.]~~ AA. "tire" means a continuous solid or  
22 pneumatic rubber covering that encircles the wheel of a motor  
23 vehicle;

24 ~~[Y.]~~ BB. "tire-derived fuel" means whole or chipped  
25 tires that produce a low sulfur, high-heating-value fuel;

.233458.3

1           ~~[Z.]~~ CC. "tire-derived product" means a usable  
2 product produced from the processing of a scrap tire but does  
3 not include baled tires;

4           ~~[AA.]~~ DD. "tire recycling" means a process in which  
5 scrap tires are collected, stored, separated or reprocessed for  
6 reuse as a different product or shredded into a form suitable  
7 for use in rubberized asphalt or as raw material for the  
8 manufacture of other products; ~~and~~

9           ~~BB.]~~ EE. "tire recycling facility" means a place  
10 operated or maintained for tire recycling but does not include:

11                   (1) retail business premises where tires are  
12 sold, if no more than five hundred loose scrap tires or two  
13 thousand scrap tires, if left in a closed conveyance or  
14 enclosure, are kept on the premises at one time;

15                   (2) the premises of a tire retreading  
16 business, if no more than three thousand scrap tires are kept  
17 on the premises at one time;

18                   (3) premises where tires are removed from  
19 motor vehicles in the ordinary course of business, if no more  
20 than five hundred scrap tires are kept on the premises at one  
21 time;

22                   (4) a solid waste facility having a valid  
23 permit or registration issued pursuant to the provisions of the  
24 Solid Waste Act or regulations adopted pursuant to that act or  
25 registration issued pursuant to the Environmental Improvement

.233458.3

21

Act; or

(5) a site where tires are stored or used for agricultural uses; and

FF. "transformation" means incineration, pyrolysis, distillation, gasification or biological conversion other than composting."

SECTION 4. Section 74-13-17 NMSA 1978 (being Laws 2005, Chapter 171, Section 17, as amended) is amended to read:

"74-13-17. GRANTS--ELIGIBILITY--APPLICATIONS.--

A. A municipality, county, Indian nation, pueblo or tribe, land grant community, acequia, soil and water conservation district, cooperative association or solid waste authority that meets eligibility requirements established by the board may apply for a grant:

(1) for providing funds to public landfills to offset the cost of collecting or recycling of tires, purchase equipment, perform marketing, purchase products produced by a recycling facility, provide educational outreach, develop recycling infrastructure, abate illegal dumpsites or contract with vendors to promote recycling and to abate illegal dumpsites consistent with provisions of the Recycling, Circular Economy and Illegal Dumping Act; and

(2) to support and advance wide-scale composting and food recovery efforts, as well as other initiatives to reduce the amount of organic waste entering the

.233458.3

22

1 solid waste stream.

2 B. The first priority for funding shall be  
3 abatement of illegal scrap tire dumpsites and the recycling of  
4 scrap tires.

5 ~~[B. Nothing in this section prohibits a~~  
6 ~~municipality, county, Indian nation, pueblo or tribe, land~~  
7 ~~grant community or cooperative association from contracting for~~  
8 ~~services to complete an abatement action.]~~

9 C. A grantee may contract for services to carry out  
10 the purposes of Subsection A of this section."

11 SECTION 5. A new section of the Recycling, Circular  
12 Economy and Illegal Dumping Act is enacted to read:

13 "[NEW MATERIAL] REGENERATIVE WASTE MANAGEMENT SURCHARGE.--

14 A. A surcharge is imposed on each landfill  
15 operating within the state. The surcharge shall be in an  
16 amount equal to two dollars (\$2.00) per ton of solid waste  
17 accepted for disposal at the landfill. The owner or operator  
18 of a landfill that owns or operates an on-site composting  
19 facility or that diverts source-separated organic waste to a  
20 composting facility shall pay a reduced surcharge of one dollar  
21 fifty cents (\$1.50) per ton of solid waste accepted for  
22 disposal at the landfill. The surcharge imposed pursuant to  
23 this section may be referred to as the "regenerative waste  
24 management surcharge".

25 B. The surcharge imposed by this section shall be

.233458.3

1 administered in accordance with the provisions of the Tax  
2 Administration Act and shall be paid to the taxation and  
3 revenue department by each landfill that accepts solid waste.  
4 pursuant to Subsection A of this section in the form and manner  
5 required by that department on or before the twenty-fifth day  
6 of the month following the month in which the solid waste is  
7 accepted. The taxation and revenue department may retain an  
8 administrative fee of up to three percent of the amount  
9 collected.

10 C. Beginning June 30, 2028 and every June 30  
11 thereafter, the department shall publish a report on the amount  
12 of money collected pursuant to this section, broken down by the  
13 number of tons of solid waste accepted for disposal at each  
14 landfill."

15 SECTION 6. EFFECTIVE DATE.--The effective date of the  
16 provisions of this act is July 1, 2027.

17 - 15 -  
18  
19  
20  
21  
22  
23  
24  
25

