HOUSE JUDICIARY COMMITTEE SUBSTITUTE FOR HOUSE BILL 1046

47TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2005

AN ACT

RELATING TO WASTE; PROVIDING REQUIREMENTS FOR PERMIT

APPLICATIONS FOR LARGE AND SMALL SOLID WASTE FACILITIES;

ESTABLISHING NOTICE AND HEARING REQUIREMENTS.

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

Section 1. Section 74-9-3 NMSA 1978 (being Laws 1990, Chapter 99, Section 3) is amended to read:

"74-9-3. DEFINITIONS.--As used in the Solid Waste Act:

A. "agricultural" means all methods of production and management of livestock, crops, vegetation and soil. This includes, but is not limited to, raising, harvesting and marketing. It also includes, but is not limited to, the activities of feeding, housing and maintaining animals such as cattle, dairy cows, sheep, goats, hogs, horses and poultry;

B. "board" means the environmental improvement

board;

- C. "commercial hauler" means any person transporting solid waste for hire [by whatever means for the purpose of disposing of the solid waste in a solid waste facility], except that the term does not include an individual transporting solid waste generated on or from his residential premises for the purpose of disposing of it in a solid waste facility;
- D. "construction and demolition debris" means materials generally considered to be not water soluble and nonhazardous in nature, including, but not limited to, steel, glass, brick, concrete, asphalt roofing materials, pipe, gypsum wallboard and lumber from the construction or destruction of a structure as part of a construction or demolition project, and includes rocks, soil, tree remains, trees and other vegetative matter that normally results from land clearing or land development operations for a construction project, but if construction and demolition debris is mixed with any other types of solid waste, whether or not originating from the construction project, it loses its classification as construction and demolition debris;
- E. "densified-refuse-derived fuel" means a product resulting from the processing of mixed municipal solid waste in a manner that produces a fuel <u>in pellet form</u> suitable for combustion in existing or new solid-fuel-fired boilers;
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1	F. "director" means the [director of the
2	environmental improvement division of the health and
3	environment department] secretary of environment;
4	G. "dispose" or "disposal" means causing, allowing
5	or maintaining the abandonment, discharge, deposit, placement,
6	injection, dumping, spilling or leaking of any solid waste into
7	or on any land or water;
8	[G .] \underline{H} . "division" means the [$\underline{environmental}$
9	improvement division of the health and environment] department
10	of environment;
11	I. "large solid waste facility" means a solid waste
12	facility that is not a small solid waste facility;
13	[H .] J . "municipality" means any incorporated city,
14	town or village, whether incorporated under general act,
15	special act or special charter, incorporated counties and H
16	class counties;
17	K. "permit" means an authorization to own, operate,
18	construct or close a solid waste facility and may be in the
19	<pre>form of:</pre>
20	(1) a permit for a large solid waste facility,
21	including any operating landfill;
22	(2) a registration for a small solid waste
23	facility; or
24	(3) a closure and post-closure plan for a
25	landfill that is no longer accepting solid waste and will close
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2	[I.]]
3	including federa
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ather than continue to operate;

[1.] L. "person" means an individual or any entity, including federal, state and local governmental entities, nowever organized;

[J.] M. "plan" or "state plan" means the solid waste management plan required to be developed under Section [4 of the Solid Waste Act] 74-9-4 NMSA 1978;

[K.] N. "program" or "state program" means the comprehensive solid waste management program described in Section [12 of the Solid Waste Act] 74-9-12 NMSA 1978;

[L.] O. "recyclable materials" means materials that would otherwise become solid waste if not recycled and that can be collected, separated or processed and placed in use in the form of raw materials or products; or densified-refuse-derived fuels;

 $[M_{\star}]$ $\underline{P_{\star}}$ "recycling" means any process by which recyclable materials are collected, separated or processed and reused or returned to use in the form of raw materials or products;

Q. "small solid waste facility" means:

(1) an animal crematorium that is a multichambered unit with a total charging capacity of less than five
tons per day and is designed for the purpose of cremating dead
animals and animal parts;

(2) a composting facility that occupies less
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- (3) a recycling facility that has a design capacity of twenty-five tons or less per day;
- (4) a transfer station with a total

 operational rate of one hundred twenty cubic yards or less per

 day of solid waste, which does not include separated recyclable

 material; or
- yard refuse that operates by forcefully projecting a curtain of air across an open chamber or pit in which combustion occurs, controls emission of the combustion products and is not designed to process more than ten tons of yard refuse per hour;
- [N.] R. "solid waste" means any garbage, refuse, sludge from a waste treatment plant, water supply treatment plant or air pollution control facility and other discarded material, including solid, liquid, semisolid or contained gaseous material resulting from industrial, commercial, mining and agricultural operations and from community activities. "Solid waste" does not include:
- (1) drilling fluids, produced waters and other non-domestic wastes associated with the exploration, development or production, transportation, storage, treatment .157702.1

or refinement of crude oil, natural gas, carbon dioxide gas or geothermal energy;

- waste and flue gas emission control waste generated primarily from the combustion of coal or other fossil fuels and wastes produced in conjunction with the combustion of fossil fuels that are necessarily associated with the production of energy and that traditionally have been and actually are mixed with and are disposed of or treated at the same time with fly ash, bottom ash, boiler slag or flue gas emission control wastes from coal combustion;
- (3) waste from the extraction, beneficiation and processing of ores and minerals, including phosphate rock and overburden from the mining of uranium ore, coal, copper, molybdenum and other ores and minerals;
- (4) agricultural waste, including, but not limited to, manures and crop residues returned to the soil as fertilizer or soil conditioner;
 - (5) cement kiln dust waste;
 - (6) sand and gravel;
- (7) solid or dissolved material in domestic sewage or solid or dissolved materials in irrigation return flows or industrial discharges that are point sources subject to permits under Section 402 of the Federal Water Pollution Control Act, 33 U.S.C. Section 1342 or source, special nuclear .157702.1

or by-product material as defined by the Atomic Energy Act of 1954, 42 U.S.C. Section 2011 et seq.;

- (8) densified-refuse-derived fuel; or
- (9) any material regulated by Subtitle C of the federal Resource Conservation and Recovery Act of 1976, substances regulated by the Federal Toxic Substances Control Act or low-level radioactive waste;
- [0.] S. "solid waste district" means a geographical area designated by the board as a solid waste district under Section [11 of the Solid Waste Act] 74-9-11 NMSA 1978;
- [P+] T. "solid waste facility" means any public or private system, facility, location, improvements on the land, structures or other appurtenances or methods used for processing, transformation, recycling or disposal of solid waste, including landfill disposal facilities, transfer stations, resource recovery facilities, incinerators and other similar facilities not specified, but does not include equipment specifically approved by order of the director to render medical waste noninfectious or a facility which is permitted pursuant to the provisions of the Hazardous Waste Act; and does not apply to a facility fueled by a densified-refuse-derived fuel that accepts no other solid waste;
- $[rac{Q_{ullet}}{}]$ "source reduction" means any action that causes a net reduction in the generation, volume or toxicity of solid waste;

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unique	handling, t	ransp	ortat	ion or	dispos	sal 1	equi	ireme	nts to)
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- "transfer station" means a facility used to receive and temporarily store solid wastes or to transfer solid wastes directly from smaller to larger vehicles for transport to a solid waste facility. "Transfer station" does not include the operations premises of a duly licensed commercial hauler who receives, temporarily stores or transfers solid waste in accordance with regulations adopted by the board;
- [S.] X. "transformation" means incineration, pyrolysis, distillation, gasification or biological conversion other than composting; and
- $[T_{\bullet}]$ Y. "yard refuse" means vegetative matter resulting from landscaping, land maintenance and land clearing operations."
- Section 2. Section 74-9-21 NMSA 1978 (being Laws 1990, Chapter 99, Section 21) is amended to read:
- "74-9-21. PERMIT APPLICANT DISCLOSURE--LARGE SOLID WASTE FACILITY.--
- Every applicant for a permit for a large solid waste facility shall file a disclosure statement with the information required by and on a form developed by the division in cooperation with the department of public safety at the same .157702.1

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time he files his application for a permit with the director.

- Upon request of the director, the department of public safety shall, within ninety days after receipt of the disclosure statement from an applicant for a permit for a large solid waste facility, prepare and transmit to the director an investigative report on the applicant, based in part upon the disclosure statement, except that this deadline may be extended for a reasonable period of time, for good cause, by the director. In preparing this report, the department of public safety may request and receive criminal history information from the federal bureau of investigation and any other law enforcement agency or organization. The director may also request information under this subsection regarding any person who will be or could reasonably be expected to be involved in management activities of the solid waste facility or any person who has a controlling interest in any permittee. department of public safety shall provide such confidentiality regarding the information received from a law enforcement agency as may be imposed by that agency as a condition for providing that information to the department.
- C. All persons required to file a disclosure statement shall provide any assistance or information requested by the director or the department of public safety and shall cooperate in any inquiry or investigation conducted by the department and any inquiry, investigation or hearing conducted .157702.1

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by the director. If, upon issuance of a formal request to answer any inquiry or produce information, evidence or testimony, any person required to file a disclosure statement refuses to comply, the application of an applicant or the permit of a permittee may be denied or revoked by the director.

- If any of the information required to be included in the disclosure statement changes or if any additional information should be added after the filing of the statement, the person required to file it shall provide that information to the director in writing within thirty days after the change or addition. The failure to provide such information within thirty days may constitute the basis for the revocation of or denial of an application for any permit issued or applied for in accordance with Section [24 of the Solid Waste Act] 74-9-24 NMSA 1978, but only if, prior to any such denial or revocation, the director notifies the applicant or permittee of the director's intention to do so and gives the applicant or permittee fourteen days from the date of the notice to explain why the information was not provided within the required thirty-day period. The director shall consider this information when determining whether to revoke or deny the permit.
- E. No person shall be required to submit the disclosure statement required by this section if the person is a corporation or an officer, director or shareholder of that .157702.1

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corporation and that corporation:

has on file and in effect with the federal securities and exchange commission a registration statement required under Section 5, Chapter 38, Title 1 of the Securities Act of 1933, as amended, 15 U.S.C. Section 77e (c);

- (2) submits to the director with the application for a permit evidence of the registration described in Paragraph (1) of this subsection and a copy of the corporation's most recent annual form 10-K or an equivalent report; and
- submits to the director on the anniversary of the date of the issuance of any permit it holds under the Solid Waste Act evidence of registration described in Paragraph (1) of this subsection and a copy of the corporation's most recent annual form 10-K or an equivalent report."

Section 3. Section 74-9-22 NMSA 1978 (being Laws 1990, Chapter 99, Section 22, as amended) is amended to read:

SOLID WASTE FACILITY PERMIT--NOTICE OF APPLICATION. -- Each application filed with the division for a permit [under] pursuant to the provisions of Section 74-9-20 NMSA 1978 shall include documentary proof that the applicant has provided notice of the filing of the application to the public and other affected individuals and entities. shall adopt a [regulation] rule specifying the required content of the notice, including, for small solid waste facilities, .157702.1

procedures for requesting a hearing. The notice shall be:

A. provided by certified mail to the owners of record, as shown by the most recent property tax schedule, of all properties:

- (1) within one hundred feet of the property on which the facility is located or proposed to be located if the facility is or will be in a class A or H class county or a municipality with a population of more than two thousand five hundred persons; or
- (2) within one-half mile of the property on which the facility is located or proposed to be located if the facility is or will be in a county or municipality other than those specified in Paragraph (1) of this subsection;
- B. provided by certified mail to all municipalities and counties in which the facility is or will be located and to the governing body of any county, municipality, Indian tribe or pueblo when the boundary of the territory of the county, municipality, Indian tribe or pueblo is within a ten mile radius of the property on which the facility is proposed to be constructed, operated or closed;
- C. published once in a newspaper of general circulation in each county in which the property on which the facility is proposed to be constructed, operated or closed is located. This notice shall appear in either the classified or legal advertisements section of the newspaper and at one other .157702.1

place in the newspaper calculated to give the general public the most effective notice and, when appropriate, shall be printed in both English and Spanish; [and]

- D. posted in at least four publicly accessible and conspicuous places, including the proposed or existing facility entrance on the property on which the facility is or is proposed to be located; and
- E. provided to residents of each community
 significantly affected by the proposed solid waste facility
 through at least one other medium and in a manner designed to
 reach the maximum number of residents, such as radio,
 television or a newsletter distributed to the community."

Section 4. Section 74-9-23 NMSA 1978 (being Laws 1990, Chapter 99, Section 23) is amended to read:

"74-9-23. SOLID WASTE FACILITY PERMIT--WHEN APPLICATION DEEMED COMPLETE--NOTICE OF HEARING.--

A. An application for a solid waste facility permit under the provisions of Section [20 of the Solid Waste Act]

74-9-20 NMSA 1978 shall be deemed complete when the director has received all information required under that section and Section [21 of the Solid Waste Act] 74-9-21 NMSA 1978. At any time during the application process that the director determines that additional information is required from an applicant or that information furnished is incomplete, he shall notify the applicant in writing within ten days of the date
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that determination is made.

B. Within sixty days of the director's determination that a permit application for a large solid waste facility is complete, the director shall set a date, time and location for a hearing on the application and give notice of the hearing date, time and location and a brief description of the application in the same manner as required in Section [22 of the Solid Waste Act] 74-9-22 NMSA 1978 and to any person who makes a written request to the director for notice regarding a specific application. [Except as otherwise provided in this section, hearings shall be conducted in accordance with the provisions of Section 29 of the Solid Waste Act.]

C. Within sixty days of the director's determination that a permit application for a small solid waste facility is complete, the director shall determine if there is significant public interest to justify a public hearing. If such interest exists, the director shall set a date, time and location for a hearing on the application and give notice of the hearing date, time and location and a brief description of the application in the same manner as required in Section 74-9-22 NMSA 1978 and to any person who makes a written request to the director for a notice regarding a specific application.

D. Except as otherwise provided in this section,
hearings shall be conducted in accordance with the provisions
of Section 74-9-29 NMSA 1978."

Section 5. Section 74-9-24 NMSA 1978 (being Laws 1990, Chapter 99, Section 24, as amended) is amended to read:

"74-9-24. SOLID WASTE FACILITY PERMIT--ISSUANCE AND DENIAL--GROUNDS--NOTIFICATION OF DECISION--PERMIT RECORDING REQUIREMENT.--

A. The director, within one hundred eighty days after the application is deemed complete and after [a] any public hearing, shall issue a permit, issue a permit with terms and conditions or deny a permit application. The director may deny a permit application on the basis of information in the application or evidence presented at the hearing, or both, if he makes a finding that granting the permit would be contradictory to or in violation of the Solid Waste Act or any regulation adopted [under it] pursuant to the provisions of that act. He may also deny a permit application if the applicant fails to meet the financial responsibility requirements established by the board [under] pursuant to the provisions of Subsection A of Section 74-9-8 NMSA 1978 and Section 74-9-35 NMSA 1978.

- B. The director may deny any permit application or revoke a permit if he has reasonable cause to believe that any person required to be listed on the application pursuant to Section 74-9-20 NMSA 1978 has:
- (1) knowingly misrepresented a material fact in application for a permit;

- (2) refused to disclose or failed to disclose the information required [under] pursuant to the provisions of Section 74-9-21 NMSA 1978;
- (3) been convicted of a felony or other crime involving moral turpitude within ten years immediately preceding the date of the submission of the permit application;
- (4) been convicted of a felony, within ten years immediately preceding the date of the submission of the permit application, in any court for any crime defined by state or federal statutes as involving or being restraint of trade, price-fixing, bribery or fraud;
- (5) exhibited a history of willful disregard for environmental laws of any state or the United States; or
- (6) had any permit revoked or permanently suspended for cause under the environmental laws of any state or the United States.
- C. In making a finding under Subsection B of this section, the director may consider aggravating and mitigating factors presented by any party at the hearing.
- D. If an applicant whose permit is being considered for denial or revocation on any basis provided in this section has submitted an affirmative action plan that has been approved in writing by the director and plan approval includes a period of operation under a conditional permit or license that will allow the applicant a reasonable opportunity to affirmatively .157702.1

demonstrate its rehabilitation, the director may issue a conditional license for a reasonable period of time of operation. In approving an affirmative action plan intended to affirmatively demonstrate rehabilitation, the director may consider the following factors: implementation by the applicant of formal policies; training programs and management control to minimize and prevent the occurrence of future violations; installation by the applicant of internal environmental auditing programs; the discharge of individuals convicted of any crimes set forth in Subsection B of this section; and such other factors as the director may deem relevant.

- E. Within sixty days of the date of the closing of [the] any hearing on a permit application, the director shall notify the applicant by certified mail of the issuance, denial or issuance with conditions of a permit and the reasons therefor. Any person who has made a written request to the director to be notified of the action taken on the application shall be given written notice of the director's action.
- F. No permit for the operation of a solid waste facility shall be valid until the permit or a notice of the permit and a legal description of the property on which the facility is located are filed and recorded in the office of the county clerk in each county in which the facility is located.
- G. Except as otherwise provided by law:
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[bracketed material] = delete

(1) each permit issued for a publicly owned
and publicly operated new or repermitted existing landfill,
transfer station, recycling facility or composting facility
shall remain in effect throughout the active life of the
landfill, transfer station, recycling facility or composting
facility as described in the approved permit or for twenty
years, whichever is less. Each permit issued for a publicly
owned landfill, transfer station, recycling facility or
composting facility that is privately operated pursuant to a
contract of no more than four years duration entered into in
accordance with the state or local procurement code shall
remain in effect throughout the active life of the landfill,
transfer station, recycling facility or composting facility as
described in the approved permit or for twenty years, whichever
is less. Each time the contract is renewed, the director shall
review the contract to determine whether the term of the permit
shall be governed by this paragraph or Paragraph (2) of this
[section] subsection. Each permit shall be reviewed by the
department of environment at least once every ten years. The
review shall address the operation, compliance history,
financial assurance and technical requirements for the
landfill, transfer station, recycling facility or composting
facility. At the time of the review there shall be public
notice in the manner prescribed by Section 74-9-22 NMSA 1978.
If the secretary of environment determines that there is
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significant public interest, a nonadjudicatory hearing shall be held as part of the review. The secretary may require appropriate modifications of the permit, including modifications necessary to make the permit terms and conditions consistent with statutes, regulations or judicial decisions;

(2) each permit issued for a privately owned new or repermitted existing landfill, transfer station, recycling facility or composting facility shall remain in effect for ten years or for the active life of the facility, whichever is less. Each permit issued for a publicly owned landfill, transfer station, recycling facility or composting facility that is leased to a private person or that is operated by a private person pursuant to a contract of more than four years duration shall remain in effect for ten years or for the active life of the landfill or facility, whichever is less. Each permit shall be reviewed at least every five years by the department of environment. Interested parties may petition the department for review, in addition to the five-year review, provided that the director shall have discretion to determine whether there is good cause for such an additional review. review shall address the operation, compliance history, financial assurance and technical requirements for the landfill, transfer station, recycling facility or composting facility. At the time of the review there shall be public notice in the manner prescribed by Section 74-9-22 NMSA 1978.

If the secretary of environment determines that there is significant public interest, a nonadjudicatory hearing shall be held as part of the review. The secretary may require appropriate modifications of the permit, including modifications necessary to make the permit terms and conditions consistent with statutes, regulations or judicial decisions; and

- (3) the term of permits for facilities not specified by this subsection shall be governed by existing or amended regulations adopted by the board.
- H. The director shall issue separate special waste permits for all solid waste facilities that transfer, process, transform, recycle or dispose of special waste pursuant to regulations adopted by the board.
- I. The registrations of small solid waste

 facilities and closure and post-closure care plans that have

 been issued by the department prior to July 1, 2005 shall

 remain in effect as permits for those facilities until they are

 expired, suspended, revoked or otherwise modified. Renewal

 periods for permits for small solid waste facilities registered

 prior to July 1, 2005 and for landfills closed pursuant to

 closure and post-closure plans issued prior to July 1, 2005

 shall commence on July 1, 2005."

Section 6. Section 74-9-28 NMSA 1978 (being Laws 1990, Chapter 99, Section 28) is amended to read:
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" 74-9-28.	PRIOR	HEARING	REQUIREMENT	FOR	[ALL]
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- A. The following adjudicatory actions by the division are subject to prior hearing in accordance with the requirements of Section [29 of the Solid Waste Act] 74-9-29 NMSA 1978, in addition to any specific hearing requirements and procedures under other provisions of that act:
- (1) issuance, [refusal to issue or modify]

 denial, modification and revocation of permits for large solid waste facilities;
- (2) issuance, denial, modification and revocation of permits for small solid waste facilities and for landfills that are no longer accepting waste and will close rather than continue to operate if the director determines there is significant public interest for a hearing;
- $\left[\frac{(2)}{(3)}\right]$ administrative enforcement actions;
- $\left[\frac{3}{4}\right]$ (4) actions on requests for variances and exemptions.
- B. In any adjudicatory hearing, the director has and may delegate to the hearing officer the power to issue subpoenas for the attendance and testimony of witnesses and the production of relevant documentary evidence. The subpoenas may be enforced by action brought in the district court for the county in which the hearing is held."

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Section 7. EFFECTIVE DATE.--The effective date of the provisions of this act is July 1, 2005.

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