HOUSE ENERGY AND NATURAL RESOURCES COMMITTEE SUBSTITUTE FOR HOUSE BILL 252

50TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2012

AN ACT

RELATING TO THE ENVIRONMENT; AMENDING SECTIONS OF THE SOLID WASTE ACT TO PROVIDE FOR HEARINGS IF THERE IS SIGNIFICANT PUBLIC INTEREST.

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

SECTION 1. Section 74-9-22 NMSA 1978 (being Laws 1990, Chapter 99, Section 22, as amended) is amended to read:

"74-9-22. SOLID WASTE FACILITY PERMIT--NOTICE OF APPLICATION.--

A. Each application filed with the division for a permit under 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. The board shall adopt a regulation specifying the required content of the notice;

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provided that the notice shall include a statement that:
(1) a hearing may occur on the application,
subject to a later determination that the application is
complete and that one or more of the criteria set forth in
Paragraph (1) of Subsection A of Section 74-9-28 NMSA 1978 is
met;
(2) no hearing may be held if none of the

criteria set forth in Paragraph (1) of Subsection A of Section
74-9-28 NMSA 1978 is met; and

(3) any member of the public may comment to the secretary of environment about whether there is significant oublic interest and how to provide such comments.

B. The notice shall be, at a minimum:

[A.] (1) provided by certified mail to the owners of record, as shown by the most recent property tax schedule, of all properties:

[(1)] (a) 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)] <u>(b)</u> 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)]

<u>Subparagraph (a)</u> of this subsection;

[B.] (2) 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 or Indian tribe or pueblo when the boundary of the territory of the county, municipality or 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;

[6.] (3) 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 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

[Đ.] (4) 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."

SECTION 2. 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
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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] the
director shall notify the applicant in writing within ten days
of the date that determination is made.

B. Within sixty days of the director's determination that a permit application is complete, the director shall set a date, time and location for a hearing, if any, on the application and, if a hearing is to be conducted, 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, if any, shall be conducted in accordance with the provisions of Section [29 of the Solid Waste Act] 74-9-29 NMSA 1978."

SECTION 3. 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 .189093.1

REQUIREMENT. --

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Α. In the event a public hearing is held on an application, the director, within one hundred eighty days after the application is deemed complete and after a public hearing, shall issue a permit, issue a permit with terms and conditions or deny a permit application. <u>In the event a public hearing is</u> not held on the application, the director shall, within sixty days after the application is deemed complete, 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, if any, or both, if the director makes a finding that granting the permit would be contradictory to or in violation of the Solid Waste Act or any regulation adopted pursuant to the provisions of that act. The director may also deny a permit application if the applicant fails to meet the financial responsibility requirements established by the board 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 an existing permit if the director has reasonable cause to believe that a 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;

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- refused to disclose or failed to disclose (2) the information required 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
- had any permit revoked or permanently suspended for cause under the environmental laws of any state or the United States.
- 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, if any.
- 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

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:

- (1) implementation by the applicant of formal policies;
- (2) training programs and management control to minimize and prevent the occurrence of future violations;
- (3) installation by the applicant of internal environmental auditing programs;
- (4) the discharge of individuals convicted of any crimes set forth in Subsection B of this section; and
- (5) such other factors as the director may deem relevant.
- E. Within sixty days of the date of the closing of the hearing on a permit application, or within sixty days after the application is deemed complete if no hearing is held, the director shall notify the applicant by certified mail of the issuance, denial or issuance with conditions of a permit and the reasons for it. 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 .189093.1

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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:

each permit issued for a publicly owned (1) and publicly or privately 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 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 significant public interest] one or more of the criteria for holding a public hearing set forth in Paragraph (1) of Subsection A of Section 74-9-28 NMSA 1978 is met, 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;

new or repermitted existing landfill, transfer station, recycling facility or composting facility shall remain in effect throughout the active life of the facility as described in the approved permit or for twenty years, whichever is less. Owners of privately owned facilities permitted prior to July 1, 2011 shall submit in writing to the division no later than September 1, 2011 their decision to opt into the twenty-year permit cycle and provide information that demonstrates that such period is less than the remaining active life of the facility. If a privately owned facility opts into the twenty-year permit cycle, the twenty-year permit term shall be reduced by the number of years the facility has operated under

its current permit. For privately owned facilities that opt
into the twenty-year permit term, the facility owners shall
adjust financial assurance coverage to accommodate requirements
pursuant to the solid waste management regulations. 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 has discretion to determine whether
there is good cause for such an additional review. 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 significant public
interest] one or more of the criteria for holding a public
hearing set forth in Paragraph (1) of Subsection A of Section
74-9-28 NMSA 1978 is met, 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 .189093.1

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."

SECTION 4. Section 74-9-28 NMSA 1978 (being Laws 1990, Chapter 99, Section 28) is amended to read:

"74-9-28. PRIOR HEARING REQUIREMENT FOR [ALL] CERTAIN
ADJUDICATORY ACTIONS.--

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 and revocation of permits for solid waste facilities <u>if the</u>

<u>applicant for the permit or the modification requests a</u>

<u>hearing or if the director determines that:</u>

(a) there is significant public interest concerning the facility or proposed facility that is the subject of the proposed division action; or

(b) the facility or proposed facility

that is the subject of the proposed division action is

located or is to be located in a vulnerable area as defined

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- (3) actions on requests for variances and exemptions.
- 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. subpoenas may be enforced by action brought in the district court for the county in which the hearing is held."
- **SECTION 5.** Section 74-9-29 NMSA 1978 (being Laws 1990, Chapter 99, Section 29) is amended to read:
- "74-9-29. HEARING PROVISIONS FOR ADJUDICATORY ACTIONS.--
- The director shall adopt procedural Α. regulations to govern the procedures to be followed in hearings on adjudicatory actions of the director. adjudicatory actions under the Solid Waste Act shall be taken until these regulations are adopted.] As a minimum, the procedural regulations shall provide:
 - for hearings, if any, to be public; (1)
- (2) requirements for prior notice of the variance or exemption request hearings and the methods for giving that notice, which shall be designed to inform interested and affected persons of the nature of the action to be considered and the date, time and place of the hearing; .189093.1

- (3) for maintenance of a list of persons that desire to have notice of variance request hearings and provisions for giving notice to those persons;
- (4) a reasonable opportunity for all persons desiring to be heard on a variance or exemption request or a permit action to be heard without making the hearing process, if any, unreasonably lengthy or cumbersome or burdening the record with unnecessary repetition;
 - (5) procedures for discovery;
- (6) assurance that procedural due process requirements are satisfied;
- (7) for the director to designate a hearing officer to conduct a hearing and make a report and recommendation to the director;
- (8) for the maintenance of a record of the hearing proceedings and assessment of the costs of any transcription of testimony that is required for judicial review purposes; and
- (9) for the place of the hearing to be in Santa Fe, and at other places the board may prescribe, for hearings on actions of general statewide application, for hearings on actions of limited local application to be held at a place in the area affected and for enforcement actions to be heard in Santa Fe.
- B. Actions taken by the director following a .189093.1

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hearing, $\underline{\text{if any}}$, on adjudicatory actions shall be:

- (1) written and shall state the reasons for
 - (2) made public when taken;
- (3) communicated to all persons that have made a written request for notification of the action taken;
- (4) taken within not more than thirty days after the closing of the hearing, <u>if any</u>, or the date of submission of a report by a hearing officer."

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