



National Solid Wastes Management Association

WCA

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To: The Honorable Members of the House Local Government Committee
From: Derrick Standley, WCA Region I Director of Engineering & Government Affairs
Date: February 12, 2013

RE: HB 2072

Honorable Chairman Huebert and members of the committee:

My name is Derrick Standley, and I am Director of Region I Engineering and Government Affairs for the WCA. WCA owns and operates the Oak Grove Landfill located near Arcadia Kansas. I am here today on behalf of the Kansas Chapter of the National Solid Wastes Management Association (NSWMA). NSWMA is an industry and statewide trade association representing the waste services and environmental industry which provides valuable and environmentally responsible services to Kansans. On behalf of our members, I am honored to appear before you today in support of HB 2072 and I commend you for holding this hearing today on an important measure.

HB 2072 is a follow up to a bill that was introduced and heard in this committee last year – 2012 HB 2639. Both bills at their core sought to level the field of competition between public and private entities engaging in materials management and provide a clear policy regarding governmental participation in the private sector. After public entities expressed some concern regarding HB 2639, over the interim, NSWMA-KS sought to simplify the overall bill and accommodate the public entities concerns. HB 2072 is the result of those attempts.

HB 2072:

1. allows for municipalities to continue to provide materials management services to their own constituents;
2. allows municipalities to provide materials management services outside their incorporated limits if after a public hearing, the governing body of the municipality has determined that the same services are not readily available from a private sector entity;
3. allows a municipality to provide materials management services regardless of the presence of private entities outside of their jurisdiction in the event of an emergency or disaster;
4. exempts municipality owned transfer stations; and
5. provides grandfathering of municipalities currently operating outside of their jurisdictions as of July 1, 2013.

HB 2072 does not affect a municipality's ability to provide materials management services to its own constituents. HB 2072 does remedy the unfair competition a municipality can take advantage of when the municipality leaves its jurisdiction and directly competes with a private entity that is in the business of materials management.

Advantage a municipality has over a private entity:

1. availability of subsidizing its operation with more revenue streams through various taxes, bonds, and grants;
2. advantageous tax treatment through tax-exemptions (property tax, income tax, motor fuel tax, etc.);
3. limited liability through the protections of the Kansas Tort Claims Act;
4. More assurance options available for closure and post-closure liability on landfills;

A municipality who leaves its boundaries to provide services outside of its jurisdiction has an unfair competitive advantage over private entities. This unfair competition hurts the free market and economic climate in regions where a private market exist for materials management services. In regions of the state where a private market does not exist, HB 2072 allows a municipality to engage in materials management.

NSWMA-KS urges the committee to act favorably on HB 2072. Thank you for holding this hearing on HB 2072 and thank you for the opportunity to provide testimony. I am available for any questions of the committee.

Sincerely,

Derrick Standley
Region I Director of Engineering, Compliance and Government Affairs
33924 Olathe Drive
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