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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2025

A N A C T

RELATING TO HEALTH AND SAFETY -- RHODE ISLAND RESOURCE RECOVERY CORPORATION

Introduced By: Representatives Fellela, Costantino, Fascia, and Perez

Date Introduced: May 16, 2025

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 23-19-13 of the General Laws in Chapter 23-19 entitled "Rhode
2 Island Resource Recovery Corporation" is hereby amended to read as follows:
3 **23-19-13. Municipal participation in state program.**
4 (a)(1) Any person or municipality which intends to transfer, treat, or dispose of solid waste
5 originating or collected within the state, or which intends to make arrangements to do so, shall
6 utilize, exclusively, a system or facility designated by the corporation as provided under this
7 chapter. All transfer stations in existence as of December 1, 1986, are empowered so long as they
8 maintain the appropriate license to continue their operations, and the corporation shall not exercise
9 its powers under this chapter to compete with their operation and activity. No municipality shall
10 have power to engage in, grant any license, or permit for or enter into any contract for the collection,
11 treatment, transportation, storage, or disposal of solid waste, and no municipality or any person
12 shall engage in any activities within the state, including disposal of solid waste, which would impair
13 the ability of the corporation to meet its contractual obligations to its bondholders and others, or
14 which would be in competition with the purposes of the corporation as provided in this chapter.
15 The corporation shall not be empowered to engage in the transportation, transfer, or storage of solid
16 waste, except in temporary situations where a municipality has defaulted in its obligation under this
17 section, or in conjunction with its activities at its disposal sites. Provided, however, that municipal
18 contracts which were in existence on March 1, 1985, are excepted from this requirement until

1 expiration of the original term of the contract or the expiration of any extension approved by the
2 corporation, or sooner termination of the contracts, and provided, further, that municipalities
3 operating their own landfills on December 1, 1986 shall be free to continue to use the landfills until
4 closure of the landfills. Without limiting the generality of the preceding, municipalities and persons
5 are expressly empowered to contract with the corporation and/or, subject to the approval of the
6 corporation, with a duly licensed private disposal facility for the disposal of solid wastes. The
7 approval shall be conditioned upon a finding by the board of commissioners of the corporation that
8 any proposed contract with a Rhode Island municipality or person is in conformity with the
9 statewide resource recovery system development plan and this chapter, and that the proposed
10 contract will not impair the ability of the corporation to meet its contractual obligations to its
11 bondholders and others. The contracts may have a maximum total term, including all renewals, of
12 up to fifty (50) years.

13 (2) The corporation shall charge fees for its solid waste management services that, together
14 with other revenues available to the corporation, will, at a minimum, be sufficient to provide for
15 the support of the corporation and its operations on a self-sustaining basis, including debt service
16 on its bonds and other obligations.

17 (b) Insofar as the provisions of this chapter are inconsistent with the provisions of any other
18 laws of this state, general, special, or local, restricting the power of any municipality to enter into
19 long term contracts with the corporation, the provisions of this chapter shall be controlling. The
20 corporation shall provide suitable and appropriate assistance to communities under these
21 circumstances. Notwithstanding the preceding, if the corporation deems it desirable, it may from
22 time to time permit municipalities to contract among themselves for the disposal of their wastes.

23 (c) Municipalities, along with private producers of waste which contract with the
24 corporation for disposal of their wastes, shall continue to be free to make their own arrangements
25 for collection of wastes at the source and/or the hauling of wastes to the designated processing
26 and/or transfer stations, so long as those arrangements are in compliance with the provisions of
27 chapter 18.9 of this title and with this chapter, and any municipal license relating thereto.

28 (d) All municipalities and state agencies which are participants in the state waste disposal
29 program shall initiate a separation and recycling program within one year after the date on which
30 the resource recovery facility utilized by that municipality or agency is operational and accepting
31 waste for incineration.

32 (e)(1) The corporation and any municipality may enter into a contract or contracts
33 providing for or relating to the disposal of solid waste originating in the municipality and the cost
34 and expense of the disposal.

1 (2) The contract may be made with or without consideration and for a specified or
2 unspecified time not to exceed fifty (50) years, and on any terms and conditions which may be
3 approved by the municipality and which may be agreed to by the corporation in conformity with
4 its contracts with the holders of any bonds or other obligations. Subject to the contracts with the
5 holders of bonds, the municipality is authorized and directed to do and perform any and all acts or
6 things necessary, convenient, or desirable to carry out and perform the contract and to provide for
7 the payment or discharge of any obligation under the contract in the same manner as other
8 obligations of the municipality.

9 (3) All municipalities that contract with the corporation for the disposal of solid waste shall
10 prepare as an addendum to its fiscal year 2010 contract with the corporation and any contracts with
11 the corporation for the subsequent years a plan that includes a description of the process by which
12 thirty-five percent (35%) of its solid waste will be recycled and fifty percent (50%) of its solid
13 waste will be diverted beginning July 1, 2012. This addendum shall include a residential and
14 municipal waste stream evaluation, a plan for the reduction of solid waste and recyclables generated
15 and the process by which recyclable materials are to be segregated. The corporation shall have the
16 right to execute or deny execution of the municipal solid waste and recycling services contract
17 pending approval of the addendum. Once the corporation approves this addendum, the municipality
18 must implement the plan and report on the results annually to the corporation. The corporation shall
19 enforce the provisions of this section pursuant to subdivision (g)(3).

20 (4) The corporation shall notify every city or town that it contracts with as to the addendum
21 requirements that must be included in contracts to recycle thirty-five percent (35%) and divert fifty
22 percent (50%) of solid waste beginning July 1, 2012.

23 (f) The municipalities and the state have shared responsibility for the payment of the cost
24 of municipal solid waste disposal. The state will pay its share of the cost of the solid waste disposal
25 services to be provided by the corporation to the municipalities at its solid waste management
26 facilities and its central landfill in the town of Johnston, and at any back-up facility which the
27 corporation is required to provide, by providing solid waste disposal operating subsidies as
28 provided in subsections (i) and (j).

29 (g)(1) The corporation shall charge each municipality with which it has a long-term
30 contract for solid waste disposal services a tipping fee per ton of source separated solid waste
31 excluding separated recyclable materials, sludge, and demolition debris delivered to any
32 corporation facility computed in accordance with this subsection. For purposes of this chapter,
33 “fiscal year” shall mean the twelve-month period, July 1 to June 30. The municipal tipping fee shall
34 be equal to one hundred seven and one-half percent (107.5%) of the prior fiscal year’s municipal

1 tipping fee through the end of the 2009 fiscal year. One dollar and ten cents (\$1.10) per ton on all
2 garbage, including recycled garbage, collected by the corporation as tipping fee shall be paid to the
3 town of Johnston. In addition to any other fees the corporation shall also charge a ~~three~~ (six) dollar
4 ~~(\$3.00)~~ (\$6.00) tipping fee per vehicle. Any vehicle carrying municipal solid waste shall be exempt
5 from this ~~three~~ (six) dollar ~~(\$3.00)~~ (\$6.00) tipping fee. All fees collected shall be paid to the town
6 of Johnston on ~~a an~~ biannual annual basis. No tipping fee shall be charged for recyclable materials
7 delivered to a recycling facility provided by or through the corporation.

8 (2) Notwithstanding the provisions of subdivision (g)(1), the municipal tipping fee may be
9 increased, if, due to the commencement of operation of a new resource recovery facility during the
10 previous fiscal year, the state subsidy as calculated pursuant to subsection (i), not considering
11 landfill revenues and losses, is projected to be greater than the state subsidy projected by the
12 corporation and the department of administration when the projections were officially accepted by
13 the corporation on the basis of contracts entered into for the initial resource recovery facility. The
14 amount by which the projected state subsidy exceeds the original projections will be apportioned
15 between the state and the municipalities in the same ratio as the state subsidy for the previous year
16 divided by the number of tons of municipal solid waste processed by the corporation bears to the
17 municipal tipping fee for that year. The increased municipal tipping fee herein provided shall be
18 subject to the same escalation factor as the municipal tipping fee set forth above.

19 (3) The corporation shall establish in the contract, the maximum amount of municipal solid
20 waste that each municipality will be entitled to deliver to the corporation at the municipal tipping
21 fee. Solid waste in excess of the contract amount will be charged to the municipality at the non-
22 municipal rate. In determining the maximum amount of municipal solid waste which will qualify
23 for the municipal tipping fee, the corporation shall consider the municipality's solid waste per
24 capita average, the statewide solid waste per capita average, and any other factors that it shall deem
25 appropriate.

26 (4) Seaweed collected and removed by a municipality shall be deemed "yard waste" for
27 purposes of this chapter and any rules, regulations and/or plans promulgated by the corporation
28 pursuant to this chapter, and shall be accepted by the corporation at the same rate and cost as all
29 other municipal yard waste.

30 (h) The corporation, after the initial resource recovery facility becomes operational, shall
31 charge each non-municipal user of its facilities a fee per ton equal to the projected annual resource
32 recovery system cost less energy revenues and interest earnings on bond reserve funds, if any,
33 divided by the projected tons to be processed by the corporation at its resource facilities for the
34 year. Landfill costs shall not be considered in the calculation unless landfill costs exceed revenues

1 generated at the landfills; in those cases, excess landfill costs will be added to the system costs.

2 (i) The annual state subsidy for the cost of disposal of municipal solid waste shall be
3 calculated for each fiscal year or portion of each fiscal year according to the following formula:
4 The annual state subsidy shall equal the total projected annual resource recovery system costs
5 (minus costs associated with the central landfill) for the next fiscal year less the sum of the
6 following: (1) projected resource recovery system revenues for the year; and (2) projected landfill
7 revenues; provided, however, that in the event that the landfill is projected to operate at a loss, the
8 amount of the loss shall be added to the subsidy.

9 (j)(1) On or before October 1 of each year, the corporation shall submit a budget to the
10 director of administration for the succeeding fiscal year using actual resource recovery system
11 revenues and costs, and the audit of the preceding fiscal year prepared by the corporation's
12 independent auditors and accepted by the auditor general. On or before December 1 of each year,
13 the director of administration, in consultation with the corporation, shall review the budget of the
14 corporation and shall determine and certify the annual state subsidy for the succeeding fiscal year
15 to the governor who shall submit to the general assembly printed copies of a budget which shall
16 include the state subsidy as previously determined in this subsection. The state subsidy
17 appropriation shall be on a system basis but shall contain specific appropriations for each resource
18 recovery facility. If the amount appropriated exceeds the amount needed for a specific facility, the
19 corporation, with the approval of the director of administration, may reallocate the appropriated but
20 unadvanced funds to other corporation facilities or costs. If the audit prepared by the corporation's
21 independent auditors indicates that the amounts appropriated and disbursed to the corporation as a
22 subsidy were in excess of the amounts which would have been required for the year if actual
23 resource recovery system revenues and costs had been used in the calculation of the subsidy, the
24 excess shall be credited against the current fiscal year's subsidy.

25 (2) At any time, if the corporation determines that the state subsidy will be insufficient to
26 discharge the corporation's obligations for the current fiscal year, it shall request, in writing, to the
27 director of administration for a supplemental appropriation. After review, the director of
28 administration will recommend to the governor additional funding for the corporation, and the
29 governor after further review, shall submit a supplemental appropriation bill request for the funds
30 to the general assembly.

31 (3) From the appropriations made by the general assembly, the state controller is authorized
32 and directed to draw his or her orders upon the general treasurer every month for the payment of
33 those sums that may be required upon receipt by him or her of properly authenticated vouchers.

34 (k) If, in any fiscal year, the appropriation for the state subsidy is not made and if the

1 corporation has insufficient other funds to discharge its obligations to holders of its bonds and notes
2 as certified by the state auditor general, the corporation shall be empowered to charge both
3 municipal and non-municipal users whatever fees are necessary to discharge its obligations to
4 holders of its bonds and notes, and the municipal tipping fee set forth in subsection (g) shall not be
5 applicable for the fiscal year.

6 (l) On or after the date established for separation of recyclable solid waste in the statewide
7 plan for separation of recyclables by the department of environmental management, only
8 segregated solid waste shall be accepted at the corporation's facilities.

9 (m) Costs associated with participation in the state program shall not constitute state
10 mandated costs under § 45-13-7.

11 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
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RELATING TO HEALTH AND SAFETY -- RHODE ISLAND RESOURCE RECOVERY
CORPORATION

- 1 This act would require that the resource recovery corporation modify the payment
2 obligation from a three dollar (\$3.00) tipping fee per vehicle to a six dollar (\$6.00) tipping fee per
3 vehicle. Any vehicle carrying municipal solid waste would remain exempt from the tipping fee.
4 This act would also require that all fees collected shall be paid to the town of Johnston on an annual
5 basis instead of a biannual basis.
6 This act would take effect upon passage.

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