

2026 -- S 2441

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S T A T E O F R H O D E I S L A N D

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2026

A N A C T

**RELATING TO STATE AFFAIRS AND GOVERNMENT -- COMPOSTING AND ORGANIC
WASTE DIVERSION**

Introduced By: Senators Valverde, Kallman, Lauria, Euer, DiPalma, McKenney,
DiMario, Gu, Bell, and Mack

Date Introduced: February 06, 2026

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1 **SECTION 1. Legislative Findings.**

2 The general assembly finds and declares that:

3 (1) Approximately one third of the material disposed of at the RI resource recovery central
4 landfill is compostable;

5 (2) The central landfill is estimated to be full by 2043;

6 (3) Rhode Island has one of the lowest municipal landfill tipping fees in New England;

7 (4) The general public is increasingly interested in diverting their food scraps;

8 (5) Compost added to soil increases soil organic matter, in turn improving soil's ability to
9 sequester carbon, and reduces the need for synthetic nitrogen fertilizer, which can lead to reduced
10 emissions associated with the production and use of nitrogen fertilizer;

11 (6) Healthy agricultural soils sequester carbon and play a vital role in protecting our
12 waterways and the climate, and ensuring crop yields and farm profitability;

13 (7) Composting reduces greenhouse gas emissions, builds healthy soils, manages water
14 runoff and quality, and builds local economies;

15 (8) Enforcing a "Polluter Pays" principle via a surcharge on materials disposed is an
16 effective way to encourage waste diversion and raise funds to support development and expansion
17 of waste diversion programs and infrastructure;

18 (9) Several other states have instituted disposal surcharges to fund waste diversion and

1 litter abatement, including New Jersey, Pennsylvania, Indiana, Iowa, Minnesota, North Carolina,
2 Ohio and Wisconsin; of these, Pennsylvania, Minnesota, and Wisconsin also fund other
3 environmental programs from disposal surcharges;

4 (10) Whole or pulverized shell has high value as a raw material and does not degrade, and
5 therefore, should not be disposed of in a landfill, but recycled or recovered from trash and reused;
6 and

7 (11) Reducing wasted food and increasing composting is one of the key strategies identified
8 for meeting the goals of Rhode Island's 2021 Act on Climate.

9 SECTION 2. Title 42 of the General Laws entitled "STATE AFFAIRS AND
10 GOVERNMENT" is hereby amended by adding thereto the following chapter:

11 **CHAPTER 6.3**

12 **COMPOSTING AND ORGANIC WASTE DIVERSION**

13 **42-6.3-1. Short title.**

14 This chapter shall be known and may be cited as the "Composting and Organic Waste
15 Diversion."

16 **42-6.3-2. Purpose.**

17 (a) Establishing the compost fund as a special, nonlapsing fund; requiring interest earnings
18 of the compost fund to be credited to the compost fund established pursuant to § 42-6.3-5.

19 (b) Establishing the competitive composting and waste diversion grant fund ("CG fund")
20 as a special, nonlapsing fund; requiring interest earnings of the competitive composting and waste
21 diversion grant fund to be credited to the competitive composting and waste diversion grant fund.

22 (c) Establishing the municipal waste diversion grant fund ("MG fund") as a special,
23 nonlapsing fund, requiring interest earnings of the municipal waste diversion grant fund to be
24 credited to the municipal waste diversion grant fund.

25 (d) Establishing a solid waste disposal surcharge pursuant to the provisions of § 42-6-3-4,
26 to be collected and transferred, on a quarterly basis, to the office of the general treasurer, by Rhode
27 Island resource recovery corporation established pursuant to § 23-19-6, or other refuse disposal
28 system in the state.

29 (e) Requiring the office of the general treasurer, on an annual basis, to transfer solid waste
30 disposal surcharge revenue to the compost fund, and specifying that solid waste disposal surcharge
31 revenue in and originating from the compost fund may not revert to the general fund of the state.

32 **42-6.3-3. Definitions.**

33 As used in this chapter:

34 (1) "Compost" means a stable organic product produced by a controlled aerobic

1 decomposition process that can be used as a soil additive, fertilizer, growth media or other
2 beneficial use.

3 (2) "Composting" means the controlled aerobic biological decomposition of organic waste
4 material resulting in compost.

5 (3) "Composting facility" means buildings, grounds (such as a composting pad) and
6 equipment dedicated to the manufacture of compost, and also includes stormwater control systems.

7 (4) "Municipal solid waste" (MSW) means solid waste generated by the residents of a
8 municipality in the course of their daily living, the disposal of which the governing body of that
9 municipality has undertaken in the discharge of its duties to protect the health of the municipality.
10 Municipal solid waste does not include solid waste generated by residents of a municipality in the
11 course of their employment or that generated by any manufacturing or commercial enterprise.

12 (5) "Payor" means all entities required to pay the surcharge and can include any of the
13 following:

14 (i) Any individual or entity (e.g., municipally contracted waste haulers and privately
15 contracted waste haulers) disposing of waste at a municipal drop-off site or transfer station; and
16 (ii) Any individual or entity (e.g., municipally contracted waste haulers and privately
17 contracted waste haulers) disposing of waste at the central landfill run by Rhode Island resource
18 recovery corporation pursuant to the provisions of chapter 19 of title 23 ("Rhode Island resource
19 recovery corporation").

20 (6) "Refuse disposal system" includes:

21 (i) A solid waste transfer station;
22 (ii) A landfill and/or landfill system; and
23 (iii) Any other facility accepting mixed solid waste.

24 (7) "Recycling" means any process in which recyclable materials are collected, separated,
25 or processed and returned to the marketplace in the form of raw materials or products.

26 (8) "Solid waste" means any discarded material destined for landfill disposal or other final
27 disposal at a refuse disposal system. Solid waste does not include segregated or source-separated
28 materials that are rescued, reused, recycled, or composted.

29 **42-6.3-4. Solid waste disposal surcharge.**

30 (a) There is hereby established a solid waste disposal surcharge to be paid by each payor
31 and collected by the owner or operator of each refuse disposal facility in the state.

32 (b)(1) The solid waste disposal surcharge shall be two dollars (\$2.00) per ton of solid waste
33 processed by a refuse disposal system. MSW fees shall not be collected unless the municipality
34 from which it was collected opts in to applying the surcharge. Municipalities that do not opt in to

1 the fee program shall not be eligible for the municipal waste diversion grant fund as defined in §§
2 42-6.3-7 and 42-6.3-8.

3 (2) On or before January 1, 2031, and every five (5) years thereafter, the department of
4 environmental management shall adjust the solid waste disposal surcharge to the greater of:

5 (i) The changes in the consumer price index for the New England region; or
6 (ii) Twenty (20%) percent.

7 (c) The surcharge may only be assessed once on a load of solid waste destined for final
8 disposal.

9 (1) If the surcharge is assessed on a load of solid waste before its final disposal destination
10 (e.g. at a municipal drop-off site or transfer station), that assessed value shall be accounted for and
11 then collected once it reaches the final destination.

12 (2) Every solid waste hauler or collector is authorized to collect rates, fees, or surcharges
13 from solid waste generators serviced by the solid waste hauler or collector only up to the amount
14 sufficient to recover the surcharge collected by the owner or operator of a refuse disposal system.

15 (d)(1) The office of the general treasurer shall receive the solid waste disposal surcharge
16 assessed under this section and deposit the revenue into the compost fund.

17 (i) Beginning January 1, 2027, on a quarterly basis, Rhode Island resource recovery
18 corporation or the owner/operator of other refuse disposal systems in the state shall complete and
19 submit, under oath, a return and transfer the solid waste disposal surcharge to the office of the
20 general treasurer.

21 (ii) The return shall include information on the number of tons of solid waste accepted for
22 disposal, transfer, or collection, as appropriate, during the reporting period.

23 **42-6.3-5. Compost fund.**

24 (a) The compost fund is hereby established under the jurisdiction of the department of
25 environmental management.

26 (b) The purpose of the compost fund is to provide funding to the department of
27 environmental management to award grants to assist with the costs of developing, implementing,
28 or expanding equipment, infrastructure, and education relating to:

29 (1) Reducing the amount of solid waste generated in the state;

30 (2) Surplus food rescue;

31 (3) Shell recovery and waste shell diversion;

32 (4) Compost production and compost use; and

33 (5) Minimizing illegal dumping.

34 (c) The office of the general treasurer shall administer the fund.

1 (d)(1) The compost fund is a special, nonlapsing fund.

2 (2) The office of the general treasurer shall hold the compost fund separately, and the
3 department of environmental management shall account for expenditures and disbursements from
4 the compost fund.

5 (3) The compost fund shall be administered by the office of the general treasurer in
6 accordance with the same laws and fiscal procedures as the general funds of the state.

7 (4) Interest earnings of the compost fund shall be credited to the compost fund.

8 (e) The compost fund consists of:

9 (1) The solid waste disposal surcharge revenue deposited into the compost fund;

10 (2) Money appropriated in the state budget to the compost fund;

11 (3) Interest earnings;

12 (4) Sums recovered by any action brought to recover funds owed pursuant to the provisions
13 of this chapter or any penalties and recovery pursuant to § 23-18.9-10; and

14 (5) Any other money from any other source accepted for the benefit of the compost fund.

15 (f)(1) The compost fund may be used only to:

16 (i) Provide the funding necessary to award grants under both the competitive composting
17 and waste diversion grant fund and municipal waste diversion grant fund; and

18 (ii) Cover the reasonable administrative costs of the compost fund and the grant programs.

19 (2) Up to five percent (5%) of the estimated annual solid waste surcharge revenue may be
20 used to cover reasonable administrative costs.

21 (3) On an annual basis, after covering reasonable administrative costs, the department of
22 environmental management shall use:

23 (i) Fifty percent (50%) of the money in the compost fund for the competitive composting
24 and waste diversion grant fund pursuant to the provisions of § 42-6.3-6; and

25 (ii) Fifty percent (50%) of the money in the fund for the municipal waste diversion grant
26 fund pursuant to the provisions of § 42-6.3-7.

27 **42-6.3-6. Competitive composting and waste diversion grant fund.**

28 (a) There is hereby established a competitive composting and waste diversion grant fund
29 ("CG fund").

30 (b) The purpose of the CG fund is to award grants to eligible entities to assist with the costs
31 of developing and implementing compost production, compost use, and waste diversion efforts.

32 (c) The director of the department of environmental management shall administer the
33 expenditures and disbursements of the CG fund.

34 (d)(1) The CG fund is a special, nonlapsing fund.

1 (2) The office of the general treasurer shall hold the CG fund separately, and the department
2 of environmental management shall account for the expenditures and disbursements of the CG
3 fund.

4 (e) The CG fund consists of:
5 (1) The solid waste disposal surcharge revenue transferred to the CG fund;
6 (2) Money appropriated in the state budget to the CG fund;
7 (3) Interest earnings; and
8 (4) Any other money from any other source accepted for the benefit of the CG fund.
9 (f) The CG fund may be used only to award grants to eligible entities to assist with:
10 (1) The costs of developing and implementing compost production and compost use
11 projects; and

12 (2) The costs of developing and implementing activities that advance food waste
13 prevention, food rescue and recovery, or composting, as well as minimize illegal dumping in the
14 state.

15 (g) The department of environmental management shall ensure that grants awarded under
16 this subsection are awarded equitably among:

17 (1) Activities relating to food waste prevention, food rescue and recovery, composting, and
18 minimizing illegal dumping; and
19 (2) Projects that present a diverse and distributed infrastructure in which small- and
20 medium-sized projects are well represented; and
21 (3) Projects that support the entry, growth, and/or sustainability of low-income, socially
22 disadvantaged, beginning, small, women, and veteran organizations and businesses.

23 (h) Interest earnings of the CG fund shall be credited to the CG fund.
24 (i) An eligible entity may apply for a grant from the CG fund.
25 (1) "Eligible entity" means:
26 (i) A conservation district;
27 (ii) A local education agency;
28 (iii) An institution of higher education;
29 (iv) A nonprofit organization;
30 (v) A farmer, including a small farmer, urban farmer, aquaculture farmer, or a rancher;
31 (vi) A business that is:
32 (A) Operating in the state in good standing; and
33 (B) Intended to operate at a profit and return a profit to its owners; or
34 (vii) A consortium of any of the entities identified in subsections (i)(1)(i) through (i)(1)(vi)

1 of this subsection.

2 (j) The department of environmental management shall establish grant application and

3 reporting procedures.

4 (1) The grant application procedures shall include:

5 (i) A process for facilitating participation of eligible entities with limited resources;

6 (ii) A simple common application format;

7 (iii) A process for authorizing eligible entities to use the entity's standard annual report and

8 "letter of interest" to meet application requirements;

9 (iv) A process for submitting applications in writing and through video and audio formats;

10 and

11 (v) Translation services for applicants to overcome language barriers in the application

12 process.

13 (2) The grant reporting procedures shall include:

14 (i) A process for facilitating participation of eligible entities with limited resources;

15 (ii) A simple common reporting format; and

16 (iii) A process for authorizing eligible entities to use the entity's standard annual report to

17 meet reporting requirements.

18 (3) The grant reports shall include:

19 (i) A description of all grant-funded activities;

20 (ii) If applicable, amount of compost generated and/or utilized;

21 (iii) If applicable, amount and types of materials diverted from disposal; and

22 (iv) If applicable, any discernible impacts on:

23 (A) Soil health;

24 (B) Community resilience and sustainability;

25 (C) Job creation and other economic benefits; and

26 (D) Waste prevention and diversion;

27 (E) Illegal dumping.

28 (k) In awarding grants under this section, the department of environmental management

29 shall give priority for projects that meet one or more of the following:

30 (1) For which an applicant clearly describes the project and goals, including a description

31 of how the project will support compost production or compost use, advance food waste prevention,

32 food rescue and recovery, or composting, as well as minimize illegal dumping in the state;

33 (2) For which an applicant clearly describes how the project will provide direct,

34 meaningful, and assured benefits to the community and address important community needs;

1 (3) That divert organic waste from refuse disposal facilities to instead be composted
2 locally, and where the resulting compost is returned to soil within the state to support food
3 production;

4 (4) That are based on a distributed infrastructure strategy that incorporate small- or
5 medium-sized activities to include, but not limited to, home or on-site composting programs;

6 (5) That involve the construction, renovation, or expansion of sites to increase in-state
7 infrastructure for food waste prevention, food rescue and recovery, or composting in the state;

8 (6) That minimize negative impacts and maximize benefits to the local community,
9 including jobs created for the community, job training, or support for hiring and leadership
10 development practices that are inclusive and provide living wages;

11 (7) That incorporate components of food waste prevention, food rescue and recovery, or
12 composting of any debris collected as part of illegal dumping clean up and mitigation projects;

13 (8) For which an applicant demonstrates knowledge of best practices in the field and how
14 to incorporate those best practices in the project;

15 (9) That are led by low-income, socially disadvantaged, beginning, small, women, or
16 veteran entities, organizations, and businesses;

18 (11) That engage small or diverse farming operations.

42-6.3-7. Municipal waste diversion grant fund.

20 (a) There is hereby established a municipal waste diversion grant fund ("MG fund").

21 (b) The MG fund shall consist of:

22 (1) The solid waste disposal surcharge revenue transferred to the MG fund;

23 (2) Money appropriated in the state budget to the fund; and

24 (3) Any other money from any other source accepted for the benefit of the fund.

25 (c) The office of the general treasurer shall administer the MG fund.

26 (d)(1) The MG fund is a special, nonlapsing fund.

27 (2) The office of the general treasurer shall hold the MG fund separately, and the
28 department of environmental management shall account for the expenditures and disbursements of
29 the MG fund.

42-6.3-8. Municipal waste diversion grants.

33 (a) In accordance with the state budget, the municipal waste diversion grant fund shall be
34 used only to provide public grants to municipalities to be used by the municipalities for developing

1 and implementing activities that advance food waste prevention, food rescue and recovery, or
2 composting, as well as minimize illegal dumping in the state, including for developing,
3 maintaining, or expanding local food waste prevention, food rescue and recovery, or composting,
4 as well as infrastructure that minimizes illegal dumping.

5 (b) A municipality may apply for a grant under this section if the municipality has:

6 (1) Created a separate account in its general fund to deposit the grant money;
7 (2) Established accounting procedures to ensure that grant money in the separate account
8 is spent only in accordance with this section; and

9 (3) Opted in to the surcharge program for MSW generated in their municipality, as defined
10 in § 42-6.3-4

11 (c) Municipal grants shall be distributed proportionally to eligible municipalities based on
12 population.

13 (d)(1) A municipality that is awarded a grant under this section shall submit a report at the
14 end of each fiscal year on:

15 (i) The activities undertaken under the grant to increase the municipality's proportion of
16 waste diversion, including the specific activities relating to food waste prevention, food rescue and
17 recovery, or composting;

18 (ii) The activities undertaken under the grant to minimize illegal dumping; and

19 (iii) The gains achieved in waste diversion practices and in addressing illegal dumping.

20 (2) The report required under this section:

21 (i) May be submitted electronically to the department of environmental management; and

22 (ii) Shall be posted on the municipality's website.

23 **42-6.3-9. Reporting requirements.**

24 (a) On or before December 1, 2027, and annually thereafter, the department of
25 environmental management shall report to the general assembly on the grants awarded under the
26 municipal waste diversion grant program and the competitive composting and waste diversion grant
27 fund program.

28 (b) The report shall include:

29 (1) The number and types of grants awarded; and

30 (2) The impact of grant awards on:

31 (i) Job creation and other benefits to the state;

32 (ii) Waste prevention and diversion; and

33 (iii) The quantity of compost utilized by farmers.

34 (c) Beginning with the report due January 1, 2031, and every five (5) years thereafter, the

1 department of environmental management shall include in the report an analysis on whether and to
2 what extent an adjustment to the solid waste disposal surcharge provided pursuant to § 42-6.3-4 is
3 recommended to further the purposes of this chapter.

4 SECTION 3. This act shall take effect on January 1, 2027

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LC004752

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO STATE AFFAIRS AND GOVERNMENT -- COMPOSTING AND ORGANIC
WASTE DIVERSION

1 This act would establish the compost fund to provide funding to the department of
2 environmental management to award grants to assist with the costs of developing, implementing,
3 expanding equipment, infrastructure, and education relating to reducing the amount of solid waste
4 generated in the state. The office of the general treasurer would administer the fund. This act would
5 also establish a municipal waste diversion grant fund administered by the general treasurer to be
6 used for grants to municipalities to advance food waste prevention.

7 This act would take effect on January 1, 2027

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