



**House
Legislative
Analysis
Section**

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EXEMPT HAULERS OF RECYCLABLE WASTE

House Bill 5133 with committee amendment
First Analysis (10-26-89)

RECEIVED

Sponsor: Rep. William Van Regenmorter
Committee: Transportation

NOV 16 1989

Mich. State Law Library

THE APPARENT PROBLEM:

The motor carrier act regulates persons who transport various goods by motor vehicle and exempts certain haulers, such as federal, state, and municipal vehicles, as well as vehicles that haul certain items. Trucks hauling waste generally are exempt from the act. There are vehicles, however, which haul certain waste materials to "resource recovery facilities" for recycling which are not exempt. Apparently, these haulers are currently considered to be regulated under the act since the act does not specifically exempt them. The rise in recycling over the last few years has spurred an increase in the number of recyclable waste haulers on state roadways. The act, it is argued, recognizes that "waste" which can be recycled and reused is not waste at all but a commodity with inherent value, which can be transported to recycling facilities and sold for profit. However, while some types of recyclable materials apparently can be and are hauled for profit, such as scrap metal, some people feel that most recyclable waste cannot be hauled profitably. Because recycling should be utilized to its full extent in order to minimize the use of rapidly filling landfills, it is argued that haulers of most types of recyclable materials should be specifically exempt from the act.

THE CONTENT OF THE BILL:

The bill would amend the motor carrier act to exempt vehicles transporting recyclable materials to or from a resource recovery facility. Under the bill, "recyclable materials" would not include industrial scrap metal. Also, the bill could not be construed to exempt vehicles transporting new products.

MCL 479.2

FISCAL IMPLICATIONS:

According to the Department of State Police, the bill would not affect state expenditures. (10-25-89)

ARGUMENTS:

For:

The bill recognizes that most haulers of recyclable "waste" do not profit from their activities. Companies that generate this type of waste find themselves in a "catch-22" because society increasingly emphasizes environmental stewardship via resource recovery of solid waste. If material is hauled to a landfill the hauler is exempt from the act. But when hauled to a recycling facility, the hauler falls under the act apparently because the act is silent on how it treats those who transport these types of materials. Reportedly, when these haulers requested the Michigan Public Service Commission to exempt them from the act, the commission agreed an exemption is justified but said it should be sought through legislation. The bill would not exempt those who haul scrap metal for recycling since this is often hauled at a profit, but would generally exempt all other haulers of recyclable waste. By doing so, the bill

would treat haulers of most types of recyclable waste similar to the way haulers of non-recyclable waste are treated, and would thereby encourage companies to use recycling facilities whenever possible for disposing of "trash."

Response: The bill should exclude additional recyclable materials that can be hauled for profit, such as newspapers, from the exemption. While recycling certainly should be encouraged, it would be unfair for the state to deregulate haulers of "trash" with intrinsic value while haulers of other goods are fully regulated.

POSITIONS:

The Public Service Commission supports the bill. (10-25-89)

The Michigan Trucking Association supports the bill. (10-24-89)

Able Sanitation, Incorporated supports the bill. (10-24-89)

The Department of State Police has not yet taken a position on the bill. (10-25-89)

H.B. 5133 (10-26-89)