



May 13, 2025

The Honorable Marvin L. Abney, Chair
House Finance Committee
Rhode Island House
82 Smith Street
Providence, RI 02903

RE: BILL NUMBER H-5195 – A N A C T RELATING TO STATE AFFAIRS AND GOVERNMENT -- COMPOSTING AND ORGANIC WASTE DIVERSION

Chair Abney and Honorable Committee Members,

On behalf of the Rhode Island League of Cities and Towns, thank you for the opportunity to provide testimony. We respectfully submit this testimony of concern on House Bill 5195, which, in its current form, would establish a new Compost Fund within the Department of Environmental Management (DEM) and create a solid waste disposal surcharge of \$2.00 per ton on all solid waste processed at disposal facilities across the state.

While the League supports statewide efforts to reduce solid waste and promote composting and diversion strategies, we have significant concerns about the financial impact this legislation would have on Rhode Island's 39 cities and towns.

Financial Impact on Municipalities:

- Under H-5195, the proposed \$2.00 per ton surcharge would apply broadly to all refuse disposal facility users, including municipalities. This surcharge would not be absorbed by the state or the facilities but instead passed along to the municipalities that pay tipping fees for the disposal of residential and municipal solid waste.
- Based on solid waste disposal volumes, we estimate that H-5195 would result in nearly \$1 million in new annual costs on local governments, resources that could otherwise go toward public safety, education, and infrastructure. These new costs would either need to be absorbed by already-strained municipal budgets or passed on to local taxpayers, creating an unfunded mandate that runs counter to the spirit of municipal fiscal responsibility and the state's property tax cap.

Additionally, while the Compost Fund is intended to support investments in waste diversion infrastructure, the legislation as currently written does not clearly indicate whether municipalities contributing to the fund would be eligible for or prioritized in grant funding. We believe clarifying this aspect would help ensure that cities and towns have equitable access to the resources being generated and can continue to play an active role in advancing statewide sustainability goals.

We stand ready to work with the sponsor, General Assembly and DEM to explore more balanced, sustainable policy solutions that advance waste reduction goals without compromising municipal budgets or local service delivery.

Thank you for your time and consideration of our views.

Sincerely,

Randy R. Rossi
Executive Director

Cc: Honorable Members of House Finance Committee