

STATE REPRESENTATIVE • 25th Assembly District

Assembly Committee on Urban and Local Affairs Assembly Bill 515 Testimony December 15, 2015

First of all, I would like to thank you, Chairman Brooks and committee members, for allowing me to testify before you today on Assembly Bill 515.

The purpose of this bill is to increase the amount of grant funding available to the DNR for recycling grants to local governments by \$2.3 million or the majority of the available balance in the environmental management account at the end of fiscal year 2015-16.

We do not mean to undermine the Joint Finance Committee and the budget. In fact, if this bill passes, the account for the next biennium will have a positive structural balance.

In addition, the estimated closing available balance of the Environment Management Account has increased, making the account even more fiscally sound.

As a former County Board Chairman and City Council President in Manitowoc County, I am familiar with the day-to-day operations and challenges local municipalities in WI face, and especially those in the 25th Assembly District. I know the positive impact this legislation would have.

I am not alone, as evidenced by the many supporters and co-sponsors of this bill. This is a common sense and fiscally sound solution that will help keep local services intact.

I am sure you will hear further testimony in support of the bill, so I will keep my remarks brief.

Thanks for giving me the opportunity to testify before you today. I would be happy to address any questions you may have.

JOINT COMMITTEES

Audit Committee, Co-Chair Information Policy and Technology

2nd Senate District

Assembly Committee on Urban and Local Affairs December 15, 2015 400 North East - State Capitol

Testimony on AB 515 by Senator Cowles

Thank you for the opportunity to testify today on AB 515 relating to recycling grants for local governments. I also want to thank Representative Tittl for his work on this issue. As part of the biennial budget process recycling grants to local governments and responsible units were cut \$4 million in the first year of the biennium in an attempt to maintain a structural balance in the environmental management account after a transfer of GPR debt service to the segregated account occurred as part of the budget deliberations.

Approximately 89% (2013-2015) and 90% (projected 2015-2017) of the funding for the environmental management account is received from solid waste tipping fees for most solid waste disposed in the state. Tipping fees are projected to generate \$47 million each year of the biennium.

To date, Wisconsin's recycling law is mandatory and local responsible units of government are required to deliver recycling services to residents. Without grant funding, responsible units may be forced to shift tax dollars from other local services to fund recycling and collection services or reduce the amount or frequency of services provided.

The cut to the recycling program grants to local governments was a one-time reduction from \$20 million to \$16 million in fiscal year 2015-2016. AB 515 would provide \$2.3 million in additional grant funding to the Department of Natural Resources in 2015-2016 to restore a portion of the cut. In an August memo, Fiscal Bureau outlined the anticipated available closing balance of the environmental management account on June 30, 2016 to be \$2,318,600. My office received an updated estimate of the environmental management account based on actual 2014-2015 revenues and expenditures on November 30, 2015. The account is now projected to have a \$3,483,900 available closing balance on June 30, 2016. As I stated in the Senate public hearing, based on the new data, AB 515 could be amended to provide additional grant funding to local governments.



Legislative Fiscal Bureau

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November 30, 2015

TO:

Senator Robert Cowles

Room 118 South, State Capitol

FROM:

Kendra Bonderud, Fiscal Analyst

SUBJECT: Updated Environmental Management Account Condition

This memorandum provides an updated estimate of the environmental management account of the segregated environmental fund under 2015 Act 55, the biennial budget act, primarily based on actual 2014-15 revenues and expenditures.

The segregated environmental management account provides funding for: (a) recycling financial assistance to local governments; (b) Department of Natural Resources (DNR) administration of contaminated land, brownfields cleanup, and recycling programs, including staff in remediation and redevelopment, solid waste management, air management, groundwater management, and central administrative programs; (c) brownfields and well compensation grant programs; (d) debt service costs for general obligation bonds issued for state-funded cleanup of contaminated land and sediment, a former point source water pollution abatement grant program and for DNR administrative facilities; (e) state-funded cleanup of contaminated properties where there is no responsible party able or willing to pay for the cleanup; (f) the UW System Bioenergy Initiative and certain environmental and recycling programs in the UW System and Corrections through 2014-15; (g) environmental programs in the Department of Agriculture, Trade, and Consumer Protection (DATCP), Health Services, and Military Affairs; and (h) remediation of specific sites using moneys received under court-approved settlement agreements or orders (primarily for Fox River cleanup). In the 2013-15 biennium, approximately 89% of revenue to the environmental management account was received from solid waste tipping fees totaling \$9.64 per ton (out of total state tipping fees of \$12.997 per ton) for most solid waste disposed in this state. The remaining 11% of revenues include a transfer from the segregated petroleum inspection fund, several license and other environmental fees, and revenues received for designated purposes.

Under 2015 Act 55, no changes were made in the amount of revenues and fees deposited in the environmental management account. Major changes to expenditures from the account included: (a) reducing DNR recycling grants to local governments by \$4 million, from \$20 million to \$16 million, on a one-time basis in 2015-16; (b) shifting \$4,900,700 in GPR debt service to SEG

from the account; (c) eliminating funding from the account for UW System programs, including the UW Bioenergy Initiative, solid waste research and experiments, UW Extension recycling education, and environmental education; (d) eliminating funding from the account for Department of Corrections computer recycling; (e) providing \$300,000 annually for environmental enforcement; (f) deleting \$76,000 annually from the well compensation grant appropriation; and (g) transferring \$320,000 in 2015-16 from the balance of the well compensation grant appropriation to the environmental management account balance.

During deliberation on 2015 Act 55, it was anticipated the environmental management account would have a June 30, 2017, balance of approximately \$3.8 million. As shown in the following Table, the balance is now estimated at \$4.4 million, primarily based on actual 2014-15 data. Further, a review of solid waste tons disposed of in the first three quarters of 2015, and other revenues and expenditures for 2015-17 to date, resulted in minor adjustments. In 2016-17, revenues are expected to total approximately \$53.5 million (excluding site specific revenues), of which approximately 90% will be received from solid waste tipping fees, and authorized expenditures total approximately \$52.6 million (excluding site specific expenditures). The account is expected to have a structural balance in the next biennium. That is, anticipated revenues in 2016-17 (the base year for consideration of the 2017-19 biennial budget) are expected to exceed authorized expenditures by approximately \$0.9 million, or 1.7%.

TABLE
Environmental Management Account Condition Under 2015 Act 55

	2013-14 <u>Actual</u>	2014-15 <u>Actual</u>	2015-16 Estimate	2016-17 Estimate	2016-17 <u>Staff</u>
Opening Balance July 1	\$18,750,200	\$12,872,500	\$20,338,900	\$16,738,800	
Revenues					
Solid Waste Tipping Fees	\$44,065,600	\$50,889,100*	* \$47,831,700	\$47,980,300	
Transfer to Nonpoint Account	-650,000	-1,300,000	0	0	
Transfer from Petroleum Inspection Fund	1,704,800	1,704,800	1,704,800	1,704,800	
Other Fees	4,812,300	3,723,800	3,777,500	3,777,500	
Site Specific Remediation	1,164,500	8,370,500	1,000,000	1,000,000	
Total Revenue	\$51,097,200	\$63,388,200	\$54,314,000	\$54,462,600	
Total Revenue Available	\$69,847,400	\$76,260,700	\$74,652,900	\$71,201,400	
Expenditures					
DNR Recycling Grants to Local Governments	\$20,000,000	\$20,000,000	\$16,000,000	\$20,000,000	
DNR Administration	13,538,300	13,199,800	14,609,300	14,702,100	105.29
DNR Brownfields or Well Grants	218,600	153,300	200,000	200,000	
DNR State-funded Cleanup	1,511,900	2,100,800	2,292,700	2,292,700	
DNR Site Specific Remediation	1,108,600	497,900	4,000,000	4,000,000	
Debt Service for General Obligation Bonds	13,498,300	13,128,900	18,604,300	13,370,100	
UW System Bioenergy Initiative	4,176,100	4,060,800	0	0	0.00
WEDC Brownfields Grants	1,000,000	1,000,000	1,000,000	1,000,000	
Other Agencies *	1,923,100	1,780,300	1,334,900	1,075,300	2.00
Expenditure of prior year encumbrances			78,500	And a supplied a supplied and a supplied as	
Total Expenditures Reserves/Lapses	\$56,974,900	\$55,921,800	\$58,164,100 -250,000	\$56,640,200	107.29
Total Expenditures	\$56,974,900	\$55,921,800	\$57,914,100	\$56,640,200	
Cash Balance	\$12,872,500	\$20,338,900	\$16,738,800	\$14,561,200	
Encumbrances, Continuing Balances ***	-\$8,756,300	-\$16,994,900	-\$13,254,900	-\$10,149,900	
Closing Available Balance June 30	\$4,116,200	\$3,344,000	\$3,483,900	\$4,411,300	

^{*} Other agencies include Department of Agriculture, Trade and Consumer Protection clean sweep grants, Department of Corrections computer recycling, Department of Health Services groundwater and air quality standards, Department of Military Affairs emergency response training, UW Extension recycling education, UW System solid waste research and experiments, and UW System environmental education.

I hope this information is helpful. Please contact me if you have further questions.

KB/sas

^{**} Includes approximately \$2.4 million of environmental solid waste tipping fees assessed in 2013-14 for calendar year 2013 and collected in 2014-15.

^{***} In 2014-15, includes \$4.4 million for DNR state-funded cleanup, \$10.5 million for DNR site specific remediation, \$0.7 million for DATCP clean sweep grants, \$0.7 million for DNR well compensation (of which \$0.3 million will be lapsed to the account in 2015-16 under 2015 Act 55), \$0.3 million for UW environmental education, \$0.3 million for electronics recycling, and \$0.1 million for other programs.

Outagamie County Brief December 15, 2015

Representatives of the Committee on Urban and Local Affairs ASSEMBLY BILL 515 increase the appropriation by \$2.3M to Department of Natural Resources for providing grants to responsible units of local government

Thank you Representative and members of the committee, I would like to start with some Background information on our County

Outagamie County is the Responsible Unit of Government for 32 communities in Northeast Wisconsin. These responsibilities include collecting and processing recyclables along with the education and enforcement of all the State Mandated Landfill banned recyclable items for over 180,000 residents. Outagamie County is not only responsible for these tasks required by the state, but also operates one of the largest publicly owned single stream recycling facilities in the United States. We operate this facility on behalf of Brown, Outagamie and Winnebago Counties serving not only the 200 communities or 350,000 households, but also most of northeast Wisconsin communities. Since 2009, this facility has been a showcase operation teaching thousands of elementary through college level students about the process of recycling and recovering material from landfill disposal, as well as the importance of resource recovery in the State of Wisconsin. We reinforce the noble mission of the state of Wisconsin to preserve our natural resources for generations to come.

Our intergovernmental business model has been replicated by Portage, Shawano and Marathon Counties and more recently by the City of Milwaukee and Waukesha County.

The planned grant fund reductions are threatening the strength of our well respected example of a successful intergovernmental agreement, leading the State in environmental stewardship principles.

Grant funds have been deteriorating since 2008:

In 2008 Outagamie County Recycling & Solid Waste received close to \$1 Million dollars in grant funding to support the solid waste reduction, recovery and recycling law Chapter 287 of WI state statue passed in 1989. This law set the frame work to develop waste management structures within the state and encourage reduction, reuse and recycling of Wisconsin's solid waste. The law has been highly successful with a waste recovery rate that is now over 30%. In conjunction with the state's mission, Outagamie County Recycling & Solid Waste has diverted and recovered over 21,000 semi loads of recyclables since 2009.

Currently the proposed recycling grants are now less than ½ of what they were in 2008. The amazing strides in resource recovery in Wisconsin and in Outagamie

County are at risk and are not sustainable with the minimal grant funds planned for 2016.

Costs continue to rise in spite of LEAN initiatives over the years:

It should also be noted that Outagamie County Recycling & Solid Waste has implemented many LEAN government initiatives in an effort to reduce costs and continues on the mission of gaining efficiencies in government through continuous improvements.

Escalating curbside recycling collection costs account for almost \$1.8 Million of our program costs with the proposed grant funds covering less than 25% of these costs. These reductions in grant monies will further weaken our recycling infrastructure that we have taken pride in developing through our extended educational outreach and lean government initiatives.

Outagamie County gets a return of only .32 on the dollar:

Outagamie County Recycling & Solid Waste currently sends \$1.4 million dollars annually into the environmental management fund from our landfill fees. In 2016, we are projected to receive a mere \$450,000 back in recycling grant funding. That is .32/cents on the dollar.

Outagamie County Recycling & Solid Waste has worked extensively to buffer our 32 communities against these continual reductions in state RU grant funds. It is of great concern for Outagamie County that further and repeated reductions will inevitably come at a tremendous cost burden to our communities through increased fees. Our residents have come to appreciate the level of recycling services offered in the past 20 years and this has created an environmentally conciseness culture in Northeast WI.

Additional Benefits that recycling efforts offer in Northeast Wisconsin:

Partnerships that create jobs:

Lastly I'd like to mention another notable benefit of our recycling program in Outagamie County; job creation. With our extensive curbside recycling collection program throughout the County, our waste hauler provides valuable jobs to drivers in the Fox Valley. In addition to curbside collection jobs, we also partner with Valley Packaging Industries, a non-profit organization, to supply labor for the recycling facility. This partnership has created over 60 jobs in Northeast Wisconsin. These jobs are significant and provide great value to our local economy. However the job creation does not stop there. We also play a key role in the Fox Valley paper mill industry by supplying valuable feedstock to local mills that rely on our material to generate their products. Our longstanding relationships with local paper mills are critical to the economy of Northeast WI in sustaining employment.

Recycling doesn't just save landfill space and provide environmental benefits- the positive economic impact is real and a very tangible benefit of recycling in the state and more specifically Northeast Wisconsin.

Outagamie County supports passage of Assembly Bill 515 – thank you



A non-profit association that provides statewide proactive leadership on waste reduction and recycling through education, advocacy, collaboration, programs and services.

Leaders in Resource Renewal

December 15, 2015

To:

Chairperson Edward Brooks

Members of the Assembly Urban and Local Affairs Committee

From:

Jennifer Semrau, Chair, Government Affairs Committee-Associated Recyclers of Wisconsin

(AROW)

In support of AB 515. Restoring critical funding to local recycling programs

On behalf of AROW members, from across the state of Wisconsin, I would like to first express my sincere gratitude to sponsors of AB515. Thank you.

- Wisconsin's recycling law is implemented at the local level by Responsible Units of Recycling (RUs). Each RU is expected to have an Effective Recycling Program, ensuring that residents have access to recycling services. Education and enforcement are requirements of an effective program.
- A primary expense for RUs is the cost of collecting recyclables, along with the cost of providing education and enforcement. 2015 estimate of RU expenses is \$115 million.
- While recyclable materials have value to manufacturers in Wisconsin and around the globe, there are costs along the "recycling infrastructure" that are not completely off-set by the value of the recyclable materials. Managing recyclables is not 'free,' just like managing trash collection is not free (nor do we expect it to be so).
- As a means of managing the costs of local programs, the \$7 per ton Recycling Fee is assessed at landfills and redistributed back to RUs via the DNR Basic Recycling Grant. Below shows the past six years of fee collection & grant redistribution.

Fiscal Year	Recycling Fee Collected (in millions)		1911 (1911)		Consolidation Grants (in millions)	
2015/2016*	\$	33.0	\$	15.0	\$	1.0
2014/2015	\$	34.5	\$	19.0	\$	1.0
2013/2014	\$	33.0	\$	19.0	\$	1.0
2012/2013	\$	34.2	\$	19.0	\$	1.0
2011/2012	\$	36.3	\$	19.0	\$	1.0
2010/2011	\$	35.3	\$	32.0	\$	1.5
* Projected						

 As a result of the reduction in grant dollars, RUs have been forced to curtail some recycling programs, reduce or eliminate enforcement efforts and shift levy dollars from other local services to recycling. There is a direct correlation between education and quality and quantity of recyclable materials.

2016 \$4 Million Funding Cut Impacts to AROW members:

- Dunn, County of: Small reserves available to off-set \$26,000 loss in grant funding. Solid waste service fees will increase.
- Eau Claire, County of: No reserves to off-set \$83,000 loss in grant funding. Programs will be cut:
 - o No brush, leaves, grass & other yard debris collection (one employee laid off).
 - Cut service for Clean Sweeps by half.
 - o Will not purchase 2 new recycling roll-off containers to replace those that are 26+ years old.
 - Suspend production & distribution of the Recycling Newsletter, the primary educational document, which
 goes out to every resident.

- Milwaukee, City of: In order to not increase levy, solid waste fees will be increased \$2.53 to off-set \$433,401 loss of grant funding.
- Racine, City of: To off-set a \$63,000 loss of grant funding, city is considering raising assessments per parcel between \$27 and \$46 per parcel.
- Watertown, City of: Increasing fees to users of solid waste system by \$2.30 per month to make up loss of nearly \$18,000 in grant funding. May impact level of other solid waste services.
- Waupaca, County of: Special assessments will be increased to off-set \$32,477 loss of grant funding. Additional increases includes:
 - O Increase the solid waste tipping fee from \$67 to \$72 per ton, which will allow up to transfer part of staffing costs once covered under the recycling grant.
 - Out facility scale-attendant position from full to part-time with the remainder half covered in-house by facility supervisor and recycling coordinator.
 - O Cut education & enforcement funding by one-third.
 - o Increase user fees for tire and appliance recycling.
 - o Request a one-time fund balance be applied from the County's general fund.

The additional grant funding support, under SB 340, will provide RUs critical funding to better meet recycling expenses, reinvigorate important education programs and reduce the burden to local levies. Again, thank you for your time and consideration.

About the Associated Recyclers of Wisconsin (AROW)

Founded in 1990, AROW is a 501(c)(3) association representing Wisconsin's recycling, waste reduction and sustainability professionals with members from local government, businesses and non-profit groups. The organization provides leadership through education, advocacy, and collaboration and promotes effective, efficient and sustainable material recovery initiatives. For details on AROW, its positions and programs visit www.arow-online.org.



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To: Assembly Committee on Urban and Local Affairs

From: Curt Witynski, Assistant Director, League of Wisconsin Municipalities

Date: December 15, 2015

Re: AB 515, Restoring Funding to Recycling Grant Program

The League of Wisconsin Municipalities strongly supports AB 515, restoring \$2.3 million to the recycling grant program in 2016. The state budget, Act 55, cut the program from \$19 million to \$15 million for 2016. AB 515 bumps up the funding level for the program to \$17.3 million in 2016. Under the budget, funding for the program is be fully restored to \$19 million in 2017.

We support AB 515 for the following reasons:

- The \$4 million cut of nearly twenty-two percent (22%) falls on top of a forty percent (40%) reduction in 2011 when the program was cut from \$32 million to \$19 million. The result is a cumulative reduction of over 50% in just 5 years' time. These cuts pose a risk to municipal recycling programs across the state. Even at the current annual funding level of \$19 million, the grants cover only 17.5% of responsible unit recycling program costs.
- The recycling grant program helps keep the cost of collecting and transporting recyclables affordable. Wisconsinites are avid recyclers with more than 85% in support of the state laws governing recycling (DNR 2011). Continued strong public support underscores the importance of maintaining state investment in local recycling programs.
- The source of funding for the recycling grant program is not general purpose revenue, but rather is the tipping fee assessed at Wisconsin landfills. Users of landfills, including municipalities and counties, pay nearly a \$13 per ton fee for every ton landfilled, \$9.64 of which is deposited into the Environmental Management Account. According to the Legislative Fiscal Bureau "approximately 88% of revenue to the Environmental Management Account is...received from solid waste tipping fees" (LFB 2015). Many communities are already paying more in tipping fees than they are receiving in recycling grants. The \$4 million cut makes a difficult financial picture more challenging.
- According to a May 5, 2015 LFB memo to the Joint Committee on Finance, it is anticipated
 the June 30, 2017, closing balance of the Environmental Management Account will be
 approximately \$4.6 million. For that reason, the LFB said "the Committee could consider
 restoring some, but not all, of the expenditure reductions made under the budget bill."

Adequate funds exist in the Environmental Management Account to restore \$2.3 million to the recycling grant program and ease the hit on local recycling programs in 2016. We urge you to recommend passage of AB 515. Thanks for considering our comments.



WASTE MANAGEMENT

W132 N10487 Grant Drive Germantown, Wisconsin 53022

December 15, 2015

TO: Chairman Brooks and the Assembly Committee on Urban and Local Affairs

FROM: Lynn Morgan and Greg Hubbard

IN FAVOR OF AB 515, RESTORING MUNICIPAL RECYCLING GRANTS

Since passage of Wisconsin's recycling law in 1990, recycling has quietly become one of the most successful environmental initiatives in our state's history:

- Recycling has changed everyday life in our state. An estimated 93% of Wisconsin families¹, and hundreds of thousands of state businesses, schools and institutions, routinely recycle.
- Recycling has created jobs and drawn investment. Waste Management alone has invested more than \$60 million in Wisconsin's recycling infrastructure, including a \$24 million plant in Germantown that is one of the nation's premier recycling facilities.
- Recycling is more important than ever to our state's environment. We expected recycling to preserve natural resources and landfill space, and it has. We didn't know that recycling would also promote cleaner air by providing manufacturing feedstocks without the energy "burn" of harvesting virgin feedstocks. Wisconsin's recycling effort is the equivalent of taking 470,000 cars off the road when it comes to greenhouse gas emissions, DNR estimates².

Despite these successes, our state invests less in recycling today than it did 30 years ago. The state provided \$29.2 million in recycling grants in 1995, but only \$16 million in FY 2016. When you consider that a dollar is worth about 44% less today than in 1995, the total actual value of today's grants is a scant 22% of 1995 grants. Unstable state funding, coupled with cyclical commodity markets, undermine investment in growth and innovation.

AB 515 is an opportunity to partially restore the state's investment in a recycling program with proven economic and environmental benefits to our entire state. Thank you for considering supporting this measure.

¹2011 Household Recycling Survey Summary, Wisconsin DNR Publication WA-1611, http://dnr.wi.gov/files/PDF/pubs/wa/wa1611.pdf

²2014 GreenHouse Gas Emission Reductions by Recycling vs. Landfilling, Wisconsin DNR, http://dnr.wi.gov/topic/Recycling/documents/ghgemissions.pdf



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MEMORANDUM

TO:

Honorable Members of the Assembly Committee on Urban and Local

Affairs

FROM:

Daniel Bahr, Government Affairs Associate

DATE:

December 15, 2015

SUBJECT:

Support Assembly Bill 515

The Wisconsin Counties Association (WCA) supports Assembly Bill 515, which increases recycling grants to local governments by \$2.3 million for state fiscal year 2016. This legislation would help alleviate some of the financial stress placed on local recycling programs following the \$4 million reduction in local recycling grants in the 2015-17 state budget (2015 Wisconsin Act 55).

In recent years, the state has made significant cuts to the local recycling grant program. In fact, five years ago the program was funded at \$32 million compared to \$15 million in fiscal year 2016. At the current grant level, less than 18 percent of responsible unit recycling program costs are covered. In an era of strict property tax limits and anemic revenue growth locally, counties are increasingly challenged in identifying the resources necessary to continue strong local recycling programs.

Continued state support for local recycling programs is critical to the Wisconsin economy. The recycling grant program helps keep the cost of collecting and transporting recyclables from households to processors and manufacturers affordable. According to a 2011 study from the Department of Natural Resources, the positive economic impact of recycling in Wisconsin is over \$6 billion. When recycling is done effectively and efficiently, the entire state benefits from job creation and preservation of the state's natural resources.

WCA respectfully requests that the Committee support Assembly Bill 515.

Please feel free to contact WCA if you need additional information.



December 15, 2015

Assembly Urban and Local Affairs Committee Hearing: December 15, 2015

RE: National Waste & Recycling Association (NWRA) Supports Recycling Grants Bill: AB-515.

The Wisconsin Chapter of the National Waste & Recycling Association strongly supports Assembly Bill 515 to restore \$2.3 million of recycling grant funding local units of government. The National Waste & Recycling Association is a trade association representing for-profit companies that provide solid, hazardous and medical waste collection, recycling and disposal services nationwide, including municipalities across Wisconsin that will be adversely impacted by the cuts made to recycling grant funding in the 2016 budget.

NWRA gladly supports the efforts of the Associated Recyclers of Wisconsin (AROW), League of Wisconsin Municipalities, and Wisconsin Counties Association (WCA) to restore \$2.3 million of the recycling grant funding budget that was cut in 2015 Act 55. As our clients, colleagues and communities, we understand the impact that cuts to recycling grant funding can have on our local communities. Under Wisconsin Recycling Law, local, responsible units (RU) are mandated to provide Effective Recycling Programs for its residents; however, budget cuts and use of the Environmental Management Fund for non-recycling purposes have stripped RUs from the funding required to provide effective recycling services. A recent Legislative Fiscal Bureau evaluation of the Environmental Management Fund estimated a positive balance of \$2.318 million at the end of fiscal year 2016. Assembly Bill 515 provides that this positive balance be used to offset a portion of the cuts made to the recycling grant funding; providing RUs with a greater opportunity to provide its citizens with effective recycling services they demand.

The National Waste & Recycling Association applauds the efforts of Representative Paul Tittl and Senator Robert Cowles in their efforts to restore \$2.3 million to recycling grant funding for our local communities. We ask that the Assembly Urban and Local Affairs Committee support passage of Assembly Bill 515.

Chad M. Lawler
On Behalf of the National Waste & Recycling Association
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