

TESTIMONY OF

**Diana Trussell, Solid Waste Program Manager**

Good morning Chairman Porter and members of the House Energy and Natural Resources Committee. My name is Diana Trussell and I am the Solid Waste Program Manager of the Department of Environmental Quality (DEQ). I am here to testify in support of engrossed Senate Bill 2118.

I will be addressing the proposed changes to NDCC Section 23.1-15-01, Section 23.1-15-04, Section 23.1-15-08 and Section 23.1-15-09. Major Hummel with the Highway Patrol will be addressing the proposed changes to NDCC Section 23.1-15-03, Subsection 1 of Section 23.1-15-05 and Subsection 1 of Section 23.1-15-07. These changes were submitted at our request and in collaboration with the Highway Patrol and the Department of Transportation.

### **Background**

I would like to give a brief background on how this all came about. DEQ is responsible for administering the Abandoned Auto Fund, which reimburses units of government for the costs of collecting and recycling abandoned autos, scrap metal, and other metal items. I have included a copy of the fact sheet for the Abandoned Auto Fund. It is funded through a tax of \$1.50 on each initial North Dakota certificate of title issued to a passenger or truck motor vehicle. The DEQ typically receives an appropriation of \$250,000 per biennium for the Abandoned Auto Fund.

In 2020, DEQ and Highway Patrol started talking about how to address abandoned vehicles on the side of the road that towing companies were removing but not getting paid for. At that time, the law did not have any provisions for DEQ to reimburse towing companies as they did not qualify under the Abandoned Auto Fund. During the 2021 legislative session, Highway Patrol sponsored Senate Bill 2098 with support from DEQ, that clarified the notification process and gave DEQ the authority to reimburse towing companies, who met the requirements, the cost of towing abandoned vehicles. This session, DEQ is sponsoring Senate Bill 2118 with support from Highway Patrol to clarify and clean-up of the language.

### **NDCC 23.1-15-01**

The change requested in **Section 1** clarifies the definition of abandoned motor vehicle, defines permitted scrap iron processor, scrap tire, secured party, and submerged vehicle, and eliminates the definition of vital component parts, already a part of the abandoned motor

vehicle definition.

#### **NDCC 23.1-15-04**

The change requested in **Section 3** addresses when an abandoned motor vehicle may be disposed of immediately and that it is not eligible for storage cost reimbursement. Incorporating a value on the abandoned motor vehicle versus the age, and determining if the vehicle is missing vital component parts will allow prompt disposal of junk vehicles rather than risk their indefinite storage.

#### **NDCC 23.1-15-08**

The change requested in **Section 6** clarifies vehicles as meaning abandoned motor vehicles. It also clarifies that the Department issues permits rather than licenses for scrap iron processors.

#### **NDCC 23.1-15-09**

The change requested in **Section 7** again clarifies that the Department issues permits for qualified scrap iron processors instead of licenses. This change also allows units of government to request reimbursement for the collection and disposal of scrap tires. It further clarifies that while the Department does not contract with commercial towing services for the removal and disposal of abandoned motor vehicles, the Department may reimburse for those services if the owner, lienholder, or secured parties of the abandoned motor vehicle cannot be identified.

To date, the Department has received reimbursement requests from commercial towing services that total over \$210,000, which nearly exceeds the amount appropriated each biennium. Many reimbursement requests are for abandoned motor vehicles where the owner is known but has not claimed the vehicle. The reimbursement funds are limited, and the Department works to stretch those funds out for maximize benefit. The requested changes also clearly state that reimbursement must be requested on the Department's form and that reimbursements are subject to the limitations of legislative appropriations and the Department's discretion.

Most years, the Department receives calls regarding submerged vehicles and how to remove them if the owner does not do so. The Department developed a policy to address this. We now ask it be added to the law to clarify the Department's and the owner's responsibilities for those situations. The changes in this bill provide two paths the Department may proceed with depending on whether there is an owner to claim the vehicle.

In **Section 8**, the Department is requesting this act to be declared an emergency measure to support the needs of Highway Patrol. Major Hummel will further explain those needs.

Mr. Chairman and committee members, this concludes my testimony. I ask for your support for engrossed Senate Bill 2118 with the requested changes. I would be happy to answer any questions.



## Who is eligible?

The North Dakota Department of Environmental Quality (NDDEQ) Solid Waste Program administers the state Abandoned Auto Fund. Units of government, including state entities, counties, cities, and municipalities, can apply for reimbursement for the costs of collecting and recycling abandoned automobiles, other equipment, and scrap metal. Some operations that have benefited in the past include landfills, local public health units, and local districts.

## What items qualify?

Abandoned motor vehicles, automobile and implement equipment, large items that yield a significant amount of scrap metal, trailers, campers and RVs, stockpiles of major appliances and other machinery are some of the items that qualify for removal under this fund.

## Benefits

There are many benefits to this program including reducing health hazards, improving the appearance of the landscape, and recycling metals. The program also provides technical assistance to communities in cleaning stockpiles of major appliances and other scrap metal. This project is a win/win for all involved! The local entity sees improved property function, unwanted metal is recycled and put to good use, and towing and transport companies are paid for their contribution.

## How does it work?

The unit of government sends the completed request for grant form, located at <https://deq.nd.gov/Publications/WM/SW/AAP/RequestforFundsAAP.pdf> to [solidwaste@nd.gov](mailto:solidwaste@nd.gov) with the following information:

- The name of the unit of government requesting the fund
- A first and last name of the contact person, along with address, phone number and email address
- What the intended use for the funds will be
- The anticipated cost of removal

Someone from the Solid Waste Program will follow up on your request. If the request is approved, you will choose a business from a provided list of licensed scrap iron processors. Receipts will be turned into the NDDEQ for reimbursement.

Instructions for businesses interested in becoming a licensed scrap iron processor with the NDDEQ are located at <https://deq.nd.gov/Publications/WM/InstructionsForLicenseApplicationScrapIronProcessor.pdf>. It is free to become a licensed scrap iron processor!