

South Carolina General Assembly
124th Session, 2021-2022

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Bill 525

~~Indicates Matter Stricken~~

Indicates New Matter

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AMENDED

May 11, 2021

S. 525

Introduced by Senators Gambrell, Verdin, Massey, Loftis, Garrett and Gustafson

S. Printed 5/11/21--H.

Read the first time March 18, 2021.

A BILL

TO AMEND SECTION 44-96-40 OF THE 1976 CODE, RELATING TO DEFINITIONS FOR THE SOUTH CAROLINA SOLID WASTE POLICY AND MANAGEMENT ACT, TO DEFINE NECESSARY TERMS RELATED TO ADVANCED RECYCLING AND ADVANCED RECYCLING FACILITIES.

Amend Title To Conform

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Section 44-96-40 of the 1976 Code is amended by adding appropriately numbered new items to read:

"() 'Advanced recycling' means manufacturing processes that convert post-use polymers and recovered feedstocks into basic hydrocarbon raw materials, feedstocks, chemicals, waxes, lubricants, and other products through processes that include pyrolysis, gasification, depolymerization, solvolysis, catalytic cracking, reforming, hydrogenation, and other similar technologies. The recycled products produced from advanced recycling include, but are not limited to, monomers, oligomers, plastics, plastics and chemical feedstocks, basic and unfinished chemicals, crude oil, naphtha, waxes, lubricants, coatings, and other basic hydrocarbons. Advanced recycling is not incineration, combustion, energy recovery, material recovery, or treatment. For the purpose of advanced recycling:

(a) 'Depolymerization' means a manufacturing process at an advanced recycling facility where post-use polymers are broken into smaller molecules such as monomers and oligomers or raw, intermediate, or final

products, plastics and chemical feedstocks, basic and unfinished chemicals, crude oil, naphtha, liquid transportation fuels, waxes, lubricants, coatings, and other basic hydrocarbons.

(b) 'Gasification' means a manufacturing process at an advanced recycling facility through which recovered feedstocks are heated and converted into a fuel-gas mixture in an oxygen-deficient atmosphere and the mixture is converted to crude oil, diesel, gasoline, home heating oil or other fuels, chemicals, waxes, lubricants, chemical feedstocks, diesel and gasoline blendstocks, or other raw materials or intermediate or final products that are returned to the economic mainstream in the form of raw materials, products, or fuels.

(c) 'Pyrolysis' means a manufacturing process at an advanced recycling facility through which post-use polymers or recovered feedstock are heated in the absence of oxygen until melted and thermally decomposed and are then cooled, condensed, and converted to crude oil, diesel, gasoline, home heating oil or other fuels, chemicals, waxes, lubricants, chemical feedstocks, diesel and gasoline blendstocks, or other raw materials or intermediate or final products that are returned to the economic mainstream in the form of raw materials, products, or fuels.

(d) 'Solvolysis' means a manufacturing process at an advanced recycling facility through which post-use plastics are reacted with the aid of solvents while heated at low temperatures or pressurized to make useful products, while allowing additives and contaminants to be separated. The products of solvolysis include, but are not limited to, monomers, intermediates, and valuable raw materials. The process includes, but is not limited to, hydrolysis, aminolysis, ammonolysis, methanolysis, ethanolysis, and glycolysis.

() 'Advanced recycling facility' means a manufacturing facility that receives, separates, stores, and converts the post-use polymers and recovered feedstocks it receives using advanced recycling. An advanced recycling facility is not a solid waste processing facility, solid waste management facility, materials recovery facility, waste-to-energy facility, or incinerator, but the facility is subject to department inspections to ensure compliance. Solid waste generated by an advanced recycling facility is subject to all applicable laws and regulations for manufacturers relating to storage and disposal of solid waste. Post-use polymers and recovered feedstock may not be mixed with solid waste or hazardous waste onsite or during processing at an advanced recycling facility. At least seventy-five percent of the weight or volume of recovered feedstocks or post-use polymers received during the previous calendar year must be processed at an advanced recycling facility or transferred to a different site for processing in order for a facility to qualify as an advanced recycling facility. If an advanced recycling facility does not comply with the requirements of this definition, then it is not an advanced recycling facility and is subject to all applicable solid waste laws and regulations as determined by the department. Within sixty days of the termination of operations at an advanced recycling facility, all unused pre-converted and post-converted post-use polymers or recovered feedstock must be sold or disposed of by the advanced recycling facility in compliance with applicable laws.

() 'Post-use polymer' means a plastic polymer that is not solid waste when the following apply:

(a) it is derived from any industrial, commercial, agricultural, or domestic activities;

(b) its use or intended use is to manufacture crude oil, fuels, feedstocks, blendstocks, raw materials, or other intermediate products or final products using advanced recycling;

(c) it may contain incidental contaminants or impurities, such as paper labels or metal rings; and

(d) it is processed at an advanced recycling facility or held at an advanced recycling facility prior to processing.

() (a) 'Recovered feedstock' means one or more of the following materials that has been processed so that it may be used as feedstock in an advanced recycling facility:

(i) post-use polymers;

(ii) materials for which the United States Environmental Protection Agency has made a nonwaste determination under 40 C.F.R. 241.3(c); or

(iii) materials that the United States Environmental Protection Agency has otherwise determined are feedstocks and not solid waste; or

(b) Recovered feedstock does not include unprocessed municipal solid waste.

SECTION 2. Section 44-96-250(B)(13) of the 1976 Code is amended to read:

"(13) 'Financial responsibility mechanism' means a mechanism designed to demonstrate that sufficient funds will be available to meet specific environmental protection needs of solid waste management facilities and advanced recycling facilities. Available financial responsibility mechanisms include, but are not limited to, insurance, trust funds, surety bonds, letters of credit, personal bonds, certificates of deposit, financial tests, and corporate guarantees as determined by the department by regulation."

SECTION 3. A. Section 44-96-290 of the 1976 Code is amended by adding an appropriately lettered new subsection to read:

"() An advanced recycling facility must demonstrate financial responsibility prior to being issued a permit for the advanced recycling facility or prior to the advanced recycling facility being placed in operation. To demonstrate financial responsibility, the advanced recycling facility must establish a cash trust fund under the control of the department or obtain a surety bond for which the department is the sole beneficiary, sufficient in form and amount to meet all reasonably foreseeable costs of clean up, environmental remediation, firefighting, ground water or surface water contamination, private property contamination, public health impacts, and displacement and relocation of affected persons, and any other reasonably foreseeable costs associated with the operation, management, or abandonment of any pyrolysis and gasification facilities including, but not limited to, the operation and storage of post-use polymer, plastic polymer, or incidental contaminants or impurities, provided, however that no cash trust fund or surety bond shall be required if the advanced recycling facility establishes to the department that such costs are not reasonably foreseeable."

B. The Department of Health and Environmental Control shall, on or before the second anniversary of the effective date of this act, issue a report to the General Assembly. The report must include the department's analysis of the advanced recycling facility industry and its recommendation as to whether, given the industry's record in this State or elsewhere in regard to matters including, without limitation, its costs of clean up, environmental remediation, firefighting, ground water or surface water contamination, private property contamination, public health impacts, and displacement and relocation of affected persons, and any other reasonably foreseeable costs associated with the operation, management, or abandonment of any pyrolysis and gasification facilities, a cash trust fund or surety bond should be required of the advanced recycling facility, and if so, in what amount.

C. The provisions of this SECTION terminate on the fifth anniversary of the effective date of this act or after the Department of Health and Environmental Control completes five consecutive annual compliance reviews for an operational advanced recycling facility that find no violations and no need for enforcement actions, whichever is later.

SECTION 4. Section 48-1-50 of the 1976 Code is amended by adding an appropriately numbered new item to read:

"() Review and consider the environmental compliance history of an applicant or person that is or operates an advanced recycling facility, as defined by Section 44-96-40, in making a determination to issue, reissue, deny, revoke, modify, or suspend a permit or interim status; prohibit the transfer of a permit or the transfer or achievement of interim status; or prohibit a change in the ownership of or a controlling interest in an existing advanced recycling facility."

SECTION 5. This act takes effect upon approval by the Governor.

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