

HM51 RECYCLING TASK FORCE

June 11, 2014
Albuquerque, NM

Hosted by the
NM Recycling Coalition
In partnership with NM Environment Dept.

New Mexico Recycling Coalition
6/11/14



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Introduction

- Welcome from NMRC
- Check cell phones
- Restrooms
- Emergency exits
- Recycling available
- Coffee & tea flowing
- Write questions down and save for end of presentation

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Agenda

Now	Presentations
10:15	Break
10:35	Break-Out Groups
12:00	Group Reports
1:00	Adjourn

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Background

- **HM51 passed 2014 legislative session**
- **Rep. Jeff Steinborn**
- **Requests development of strategies to meet the 50% recycling rate goal outlined in the NM Solid Waste Management Act**

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Task Force

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The task force shall:

- Analyze current recycling capacity & potential to increase
- Develop recommendations for legislative and state agency action designed to attain 50% recycling rate, including budget recommendations and timeline
- Present recommendations to appropriate interim committee November 2014

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Why now?



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- Increased access to recycling via hub and spoke
- Significant collections and processing capacity improvements past 5 years
- Increased recycling = increased NM jobs
- Strong markets
- Timing is right!

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Today's Plan

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- Today we will solicit input from wide stakeholder group
- Will then create a smaller task force for two further meetings
- Hone today's input, research options and develop report

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Recycling in New Mexico

Year	Recycling Rate	Annual Rate of Increase
2006	9.74%	
2007	10.96%	12.5%
2008	12.4%	13.1%
2009	14.6%	17.7%
2010	16.2%	11%
2011	20.72%	28%
2012	15.7%	-24.23%



Recycling in New Mexico

Access to Recycling Increased 113%

- From 2007-2013
- 115 new drop-off locations added
- Only 16 communities with no access to recycling (within 30 miles of drop-off)

Curbside Residential Collections: 15 Programs

- Includes federal facilities, university and subdivision collection programs
- Service available to 324,000 households



Current New Mexico Policy

- The New Mexico Solid Waste Management Act (SWMA) set a goal of diverting 25% of waste generated in New Mexico from landfills by 1995 and 50% by 2000
- Reuse and recycling are priorities to landfilling
- Recycling and Illegal Dumping Grant (RAID)
- Recycling and composting facilities must register with state, submit annual reports and must have certified operators
- Landfill ban on lead-acid batteries and motor oil
- Tire recycling and manifest reporting rules
- Recycled content 5% procurement preference



Recycling Support in New Mexico

- Current RAID grant fund (\$800,000 split 2/3 tire recycling efforts, 1/3 illegal dumping/recycling)
- Past grant funding in mid-1990s via NM - EMNRD
- Recent DOE investments \$2.5 million
- Recycling and Composting Facility Certified Operator Trainings
- NMED Technical Assistance
- NMRC Technical Assistance



Recent Policy & Planning Efforts

- “Develop NM Recycling Plan” Memorial, 2004
- Transforming the Economics of Recycling in NM (TERN) Stakeholder Meetings, 2004
- RAID Bill Update, Establishment of RAID Alliance, 2005
- Recycling Equipment Tax Credit, 2005 (did not pass)
- Solid Waste Management Plan Update, 2007
- Landfill Tip Fee Proposed, 2009
- Study Product Stewardship Memorial, 2013
- HM51 “Study Municipal Waste Recycling” Memorial, 2014



State Tactics

Increasing Diversion With State Level Legislative Policies & Strategies

Presented by English Bird,
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Recycling Rates in Select States

State	Goal	Current Status	Mandate*	Notes
California**	75% by 2020 (signed 2011)	65% (2011)	Yes	Commercial recycling mandated
Florida	75% by 2020 (signed 2010)	31% (2011)	Yes	Renewable energy included
Washington**	50%	47%	Yes	
North Carolina**	2 million tons by 2013	40%	No	Grants, Tech Assistance
Wisconsin**	NA	40%	No	
New Mexico	50% by 2000	16%	No	

*Mandate include compliance and may affect facility permitting process, eligibility for state grants and fiscal penalties

** Top Eight Performing Recycling States as referenced in "The Greening of Florida: A Solid Waste Management Roadmap", Kessler Consulting, Dec 2009

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Recycling Rates in Select States

State	Goal	Current Status	Mandate	Notes
Michigan	50% by 2015	14.5 %	No	Strategic planning phase, \$1 million committed.
Indiana	50% by TBD	Unknown	No	Passed April 2014
Minnesota**	50%	46%	No	
Maryland**	Zero Waste (80% recycling, 85% diversion) by 2040	45%	Yes	Just released draft plan to implement. Part of state Green House Gas Reduction Plan.
Massachusetts**	45%	60%	No	
Oregon**	50%	47%	No	



Average Tipping Fees

- Assumption that higher tipping fees incentivizes increased diversion
- Eight highest performing states = Most in \$30-\$40 range
- Generally not support this argument (Except California & Massachusetts)

State	Tip Fee Per Ton
Maryland	\$52
Minnesota	\$40
North Carolina	\$37
Oregon	\$49
Washington	\$45
Wisconsin	\$42
Massachusetts	\$75
California	NA, Assume High

"The Greening of Florida: A Solid Waste Management Roadmap", Kessler Consulting, Dec 2009.



State Planning Models

FLORIDA

"The Greening of Florida: A Solid Waste Management Roadmap", Kessler Consulting, Dec 2009. Extensive analysis of high performing recycling states.

Nine Key Policies of High Performing States:

1. Goals and Plans
2. Construction and Demolition Debris
3. Disposal Bans
4. Bottle Bill
5. Organics
6. Recycling Market Development
7. Product Stewardship
8. Technical Assistance
9. Funding

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State Planning Models

MICHIGAN

"Improving Recycling Performance in Michigan" report, Public Sector Consultants, Feb 2013. Looked in-depth at 8 of the higher performing recycling states.

Most Commonly Funded Program Elements in High-Performing States:

1. State-level staffing
2. Financial support for local programs
3. Education and outreach campaigns

Most Common/Effective Policy Tools:

1. Requirements for local governments to provide recycling or meet waste diversion goals
2. Waste bans
3. Commercial recycling requirements

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First Step...Significant Funding



Why Funding Is Important

- Grant funding can be used as an incentive
- Grants awarded using state-level priorities to guide local development
- Supports expanded state level technical support, programs and education and outreach efforts
- Examples of prioritizing grant funding:
 - Adopt specific local ordinances
 - Provide specific diversion program offerings
 - Contract with private sector for waste collections that add requirement by those haulers for recycling collections
 - Submit regular, approved solid waste management plans



State Level Funding Sources

Disposal Fee

- A surcharge added to landfill/transfer station tipping fees
- Set aside by state, region or entity for a special purpose
- 35 states have a landfill tip fee in place
- For recycling funded infrastructure, market development, technical assistance and training
- NMRC proposed in 2009, Colorado recently passed
- Average \$1-\$2/ton
- Minnesota: Awards annual county block grants to be used on eligible diversion projects



State-Level Funding Sources

Transaction Fee

- \$.01 per any purchase of \$2+ of good, will be remitted to state for recycling funding (proposal Michigan)
- Consumption fee, linking the management of end-of-life packaging and materials

Business Surcharge

- 3% of gross tax liability for corporations; .2% of net business income for non-farm companies (WI)
- \$25 for all retailers with \$50,000+ sales (Nebraska)

Unredeemed Deposits from Bottle Bill

- Unredeemed deposits managed by state for recycling programs



State-Level Funding Sources

Vehicle Registration Fee

- RAID Grant NM: \$.50 per car registration fee
- Average annual revenue = \$800,000 for grants
- Two-thirds goes to tire recycling projects
- One-third split with recycling and illegal dumping
- Currently supports small scale recycling projects
- Opportunity: Increased fee and more for recycling
- Opportunity: Existing legislation and program

Litter Fee

- \$175 per each \$1 million dollars of gross sales of specific products deemed to directly contribute to the litter stream. (Nebraska)



State-Level Funding Sources

Oil and Gas Producers Fee/Petroleum & Hazardous Materials Tax

- NM 1990-1997 Recycling Grant Program (oil/gas)
- Washington state funding source

Advance Disposal Fee or Product Disposal Fee

- Set fee placed at point of sale on white goods, electronics, tires, batteries

Product Stewardship Fees

- Producers responsible for product end-of-life
- Common EPR products: electronics, mercury-containing products, paint, mattresses
- Packaging and Paper EPR emerging concept in US



State-Level Funding Sources

Single-Use Plastic Bag Fee

- Hawaii: \$.10/bag with potential to increase to \$.25 if bag decreases not met
- Proposed in NY, VT, VA, : \$.05-\$.10/bag, \$.xx/bag retailer, rest for earmarked funding projects

Haulers Disposal Tax

- MN, collected from waste generators on MSW (residential 9.75%, business 17%). 70% goes to earmarked fund

General Fund

- Some states rely on General Fund monies to work in concert with other funding sources
- Michigan Governor committed \$1 million to launch work



Key Funding Sources in High Performing States

High Performing State	Revenue Source
California	Unredeemed Bottle Deposits, Disposal Fee, Electronics Advanced Recovery Fee, Waste Tire Fee, Used Oil Recycling Fee
Maryland	Statewide Electronics Recycling Program, Scrap Tire Fee, General Fund
Massachusetts	Unredeemed Bottle Deposits, General Fund, Solid Waste Bond, Waste to Energy Credit Program
Minnesota	Solid Waste Management Tax, Disposal Fee
North Carolina	Disposal Fee, Tire Fee, White Goods Advance Disposal Fee
Washington	Petroleum and Hazardous Materials Tax
Wisconsin	Disposal Fee, Business Surcharge

"The Greening of Florida: A Solid Waste Management Roadmap", Kessler Consulting, Dec 2009.



Next Step...State Level Policies



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Local Program Recycling Requirements

- Services provided based on population size or density
- Percentage of recycling or waste diversion achieved
- Strategic recycling plans and state review

EXAMPLES:

- **Oregon:** Cities with 4,000+ must offer monthly curbside recycling
- **Maine:** Cities with 10,000+ must offer curbside recycling
- **Wisconsin:** Require curbside in communities with 5,000/10,000
- **Pennsylvania:** Curbside 10,000+ or population of 5,000+ in areas of 300+ people per square mile.
- **Oregon:** Communities provide 3-5 recycling program elements from options listed (Larger communities must add 1-2 additional)
- **California:** Cities, counties and regional agencies must submit plan
- **Washington:** Requires cities and counties to have state approved plans

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Local Program Recycling Requirements

- Services provided based on population size or density
- Percentage of recycling or waste diversion achieved
- Strategic recycling plans and state review

EXAMPLES:

- **Florida Recommendations:**
 - Apply new recycling goal to counties 100,000+ and cities 50,000+
 - Local governments under these thresholds do not have to meet goal but must provide recycling opportunities
 - Require commercial recycling in counties 100,000+ and cities 50,000+
 - Consider phased-in approach with multi-family as final phase



Mandated Commercial Recycling

- Requires recycling at businesses, multi-family dwellings and facilities based on square footage or number of units
- Haulers and local collection entities must enforce
- Usually phased in
- Opportunity to save money with less trash pick-ups
- Delaware: Universal Recycling Law requires waste haulers to provide single stream recycling collections to all businesses
- States with commercial recycling requirements: NC, PA, WV, CT, NJ, WI, CA and RI



Pay As You Throw (PAYT)



- Bills Trash Like A Utility, e.g. Water or Electricity
- Customers Pay For What They Use
- Equitable and Transparent
- Rates Cover All Solid Waste Management Costs
- Adaptable to All Collection Types
- Up to 45% Waste Reduction (AVG 16% Less Waste Generated + More Recycling 50% Increase)
- **State Wide Policy:** Washington, Minnesota
- Connecticut incentivizing for 2-3 years, then mandating

Pay As You Throw (PAYT)

State	% of Communities with PAYT	# of PAYT Communities	2007 Recycling Rate
Minnesota	100%	1,850	49%
Oregon	100%	336	47%
Washington	100%	522	47%
Wisconsin	81%	512	40%
Massachusetts	59%	139	60%
California	50%	536	58%
National Average	26%	7,095	33%

The Greening of Florida: A Solid Waste Management Roadmap", Kessler Consulting, Dec 2009. Based on data by Lisa A. Skumatz and David J. Freeman, Pay-As-You-Throw (PAYT) in the US: 2006 Update and Analysis, December 30, 2006

Construction & Demolition Recycling

- Represents 25%+/- waste stream
- State: Require C&D sorting at front-end of C&D disposal sites
- Local: Require C&D recycling in Local Permitting Process
- Use refundable deposit at time of permitting. Unclaimed deposits local funding mechanism
- Set a Goal of 50-75% Rate with Plan
- Can Be Optional or Mandatory
- Could Target Certain Items that Are Locally Recyclable
- Can ban certain C&D items (local/state)
- Denver requires all new construction to amend soil with compost = soil retains water better



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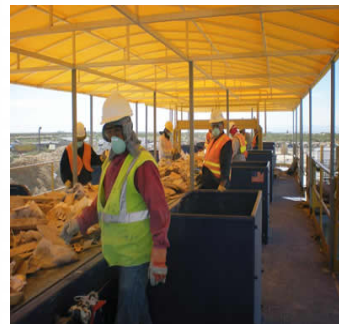


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Construction & Demolition Recycling

- Essential to attaining higher rates
- Having end-markets and sortation methods/businesses/facilities essential
- LEED and NM Green Build scoring incentivize construction recycling
- C&D Sorting Materials Recovery Facility (MRF) possibility
- Smaller scale MRF = \$7.5 million
- El Paso has small-scale, lower budget sorting facility (photo)
- Albuquerque has a demolition company that focuses on re-use and recycling
- State could support sorting facilities through grant process and technical assistance
- Existing C&D landfills can expand services



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Landfill Bans

- Can Work Locally or on State Level – Greater Effect State Level
- Can Be Economic Driver
- Usually Phased In To Ensure Infrastructure
- Targeting Largest % of MSW Critical = Paper, C&D, Organics
- Enforcement with Penalties Essential
- Yard Trimming Ban = 24 States
- Wisconsin: Bans newspaper, cardboard, containerboard, office paper, magazines, beverage and food containers, foam polystyrene packaging
- Massachusetts: Bans paper, cardboard, paperboard, glass and metal containers, food waste, single resin narrow-necked plastics, asphalt pavement, brick, concrete, metal, wood
- Bans enforced locally at landfill and at pickup/drop-off
- Includes the commercial sector
- MA & WI: Bans have helped attain high rates



Organics Management

- Up to 33-35% of waste stream
- Ability to compost adds ability to handle food waste and soiled papers
- NMRC currently advocates for soft local yard waste ban
- Yard and food waste bans
- State can require state agencies, construction, roads projects & mine remediation to use compost, mulch and filter socks



State Leadership

Create and Implement Strong Governmental Policy

- Reduction Tactics
- Budget and Reporting Essential
- Sustainable Sourcing of Products
- Buy Recycled Preference, Requirement or Commitment –State Agencies and Vendors
- Strong Recycling Program with Phased In Goals
- State Already Has Guidance, Legislation, Executive Order: Needs Budgeting and Implementation

Leading by Example



Bottle Bill & Containers

- Present in 11 States
- Most passed in 1970s
- Latest bill passed was Hawaii in 2008
- Collects \$.05-\$.10 deposit per container, refunded when returned
- Definition of bottle varies widely state by state
- Recycling rates for covered containers 75%-95%
- Unclaimed deposits fund specific programs or projects: recycling grants, litter clean-up, state recycling efforts
- North Carolina: ABC Law. All alcohol permit holders must recycle glass, plastic and aluminum containers



Extended Producer Responsibility

- Legislation that requires producers to create mechanism to take back their product for proper recycling.
- NM has Product Stewardship Council

Electronics & TVs
Mercury-Containing Devices
Paint
Carpet
Mattresses



Recycling Market Development

- Only used in 3 out of the 8 highest recycling performing states
- Provides support of expanded market development
- Recycling equipment tax credits allow businesses/ companies to take a 5% to 50% of the purchase price as a tax credit
- Recycling Market Development Zones (RMDZ) – State works to attract new business development in zones around state to ensure rural and urban areas are served. Uses tax credits, technical assistance and other incentives
- Recycling Loan Fund



Enforcement and Rewards

- Iowa: Variable landfill tip fee rates, depending on meeting state recycling rate goals
 - Not meeting 25% goal = \$3.30/ton
 - Met 25% goal, but not 50% goal = \$2.10/ton
 - Exceeds 50% goal = \$1.95/ton
- Iowa: Communities not meeting 25% goal must implement local PAYT ordinances, provide comprehensive education to citizens
- Massachusetts: State enforcement checks landfill ban compliance by inspecting disposal facilities



Michigan's Recommendations

Identify and Implement a Dedicated Source of Funding

- Funding should match estimates of infrastructure needs

Add State Staff Dedicated to Technical Assistance

Provide Financial Support to Local Communities

- Estimated per capita expenditure of \$1.35
- If applied to NM at \$1.35 per capita = \$2.7 million annual needs

Statewide Recycling Education and Outreach

State Policy

- Requirements for Local Recycling Programs
- Broad Waste Bans
- Require Commercial Recycling



Florida's Recommendations

Recommendation – First Five Years

- Phase In Recycling Goals, 50% by 2020, 75% by 2030
- Require County Plans
- Statewide Waste Composition Study
- Establish Disposal Fee of \$1.50-\$2/ton
- Require C&D Debris Processed at Certified Facility
- Establish Disposal Ban on Cardboard and Newspaper
- Expand and Enforce Yard Waste Disposal Ban
- Establish State Compost Utilization Requirements – Construction, Roads, Stormwater
- Establish Recycling Business Assistance Center
- Provide Extensive Technical Assistance

"The Greening of Florida: A Solid Waste Management Roadmap", Kessler Consulting, Dec 2009.

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Florida's Recommendations

Recommendation – Next Five Years

- Enact Product Stewardship Framework Legislation
- Enact Disposal Ban on Specific C&D Materials
- Require C&D Landfills to Be Lined
- Require Local Governments to Mandate Commercial Recycling
- Ban Disposal of Food Waste By Certain Large Generators
- Require Newsprint & Telephone Directories to Have Recycled-Content
- Establish a Recycling Market Development Grant Program

"The Greening of Florida: A Solid Waste Management Roadmap", Kessler Consulting, Dec 2009.


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Florida's Recommendations

Recycling Activity (Listed by Greatest Impact To Rate)	Percent Gain Toward 75%
Commercial sector in high-population counties/cities to 75%	31%
Current Waste-To-Energy factored into 75% goal	12%
Recycle C&D debris	12%
Zero Waste Zones and Single Stream Recycling	10%
Pay-As-You-Throw and RecycleBank programs in high population counties/cities	10%
Increase K-12 school recycling to 75%	6%
Allow Recovered Materials Dealers to get credit for recycled materials for auto shredding	3%
State offices and universities adopt a "one ton a year" goal	1.5%

"The Greening of Florida: A Solid Waste Management Roadmap", Kessler Consulting, Dec 2009.

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Jobs in Recycling

Increased Recycling = More Jobs in New Mexico

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Reaching 50% Means Adding More Than 9,000 NM Jobs, 3,500 New Direct Jobs

NM Recycling Rate	Direct Jobs (63% Stays In State)	Indirect Jobs	Induced Jobs	Total Jobs	Jobs In NM (52% stay in state)
16%	2159	1983	2604	6746	3526
34%	5141	4723	6200	16064	8397
50%	7714	7087	9304	24104	12600

"Adding 5,000 Jobs to New Mexico's Economy", New Mexico Recycling Coalition & ICF International, May 2013.

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Break-Out Groups

Sectors Represented:

- City
- County
- Federal or Large Facility
- Citizen Group
- Consultant
- Private Sector Collections & Processing
- Organics
- Economic Development
- Association
- University

Break-Out Group	Break-Out Leader	Meeting Space
1	Danita Boettner	Room 205
2	Cindy Padilla	Room 206
3	Marlene Feuer	Room 207
4	Charles Fiedler	MEGA- Room
5	Terry Time	MEGA-Room
6	Mary Garwood	MEGA-Room

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What Next?

Next Steps for HM51 Task Force

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Moving Forward

- Convene 2 smaller stakeholder meetings (July-Sept)
- Report findings to Interim Legislative Committee (Oct/Nov)
- Identify a reasonable time frame to reach 50%
- Analyze current recycling capacity & potential to increase

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