



ASSOCIATION OF TOWNS OF THE STATE OF NEW YORK

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JOINT HEARING TO EXAMINE RECYCLING-RELATED ISSUES
BEFORE THE
THE NEW YORK STATE SENATE AND ASSEMBLY COMMITTEES ON
ENVIRONMENTAL CONSERVATION

New York, NY
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Senate Hearing Room, 250 Broadway, 19th Floor

Comments Submitted by the Association of Towns of the State of New York

Thank you for inviting the Association of Towns of the State of New York (AOT) to offer our thoughts on the state of recycling in New York. As an organization that represents 933 towns in the state that serve 9 million residents, AOT is significantly concerned, both from a municipal cost and a public health standpoint, about how to move forward to address emerging recycling issues, particularly in light of China's recent policy changes.

Local Governments and Recycling

Under General Municipal Law § 120-aa municipalities must have a local law adopted that requires the separation of recyclable or reusable materials for which economic markets for alternatives exist from solid waste that would otherwise go to a landfill. These materials are generally moved to a transfer station and eventually transported to a materials recycling facility. Municipalities were previously able to offset the costs of municipal recycling programs, including contracting for recycling pick up, transportation, and processing, because the materials recycling facilities were able to sell the processed recycled material on the open market, which reduced the cost of the contract between the municipality and the recycling plant, or reduced the cost of running a municipally owned materials recycling facilities (see e.g. <https://www.brookhavenny.gov/362/Materials-Recovery-Facility>). However, those were the halcyon days.

In 2018, China enacted changes, sometimes referred to as the “National Sword Policy,” stating it would no longer accept imports of many recycled materials, and those that they will continue to accept must meet stringent contamination rates. Recycling contamination occurs as a result of organic material left on products and glass fragments imbedded in plastic and paper materials due to single-stream recycling. With the National Sword Policy in place, China will accept recyclable materials with 0.5 percent contamination; U.S. rates easily eclipse that amount,

sometimes exceeding 25 percent contamination. This has eviscerated the market for recyclable material exported from the U.S. – leading to significant consequences for local governments. Because they are no longer able to sell materials on the open market, materials recycling facilities with municipal contracts have had to recoup those losses by charging municipalities up to four times more than in 2018 (Alexander Morse, “*Where Does Our Garbage Go?*,” Rockefeller Institute of Government, September 11, 2019 available at <https://rockinst.org/blog/where-does-our-garbage-go/>, last accessed October 18, 2019). In 2018, the Onondaga County Resource Recovery Agency estimated that the recent down-turn in the recycling market will result in an increase to municipal recycling across the state of \$80 to \$100 million **annually**, and their own costs were 1,700 percent higher than in 2015.

Exacerbating this already complicated issue are the problems that arise with different types of recyclable materials. In 2019, Casella Waste Systems stated that the foreign market for mixed paper will be eliminated. Other materials, like glass, have been an issue for municipalities for years. Monroe County has not had a buyer for mixed glass since 2013, and the same is true for Ontario County, which serves a number of adjacent counties. Onondaga County has not had a buyer for mixed glass since 2008 (see Steve Orr, “*Curbside recycling programs are now such money-losers that it's going to cost us more,*” Democrat & Chronicle, originally published June 29, 2018 available at: <https://www.democratandchronicle.com/story/news/2018/06/29/blue-bin-curbside-recycling-losing-money-new-york-plastics-paper-glass-china-bans-imports/715017002/> last accessed October 18, 2019). Plastic recycling also has its problems. In 2016, China processed nearly 70 percent of the world’s plastic recycling per year. However, the National Sword Policy means that it is currently accepting less than 1 percent of the plastic imports it was accepting just two years ago (see Morse ““*Where Does Our Garbage Go?*”). Cumulatively, 64

percent of recyclable materials were profitable in 2017; in 2018, that number plummeted to 35 percent (Corinne Rico and Cooper Martin, “*Rethinking Recycling: How Cities Can Adapt to Evolving Markets*,” National League of Cities Sustainable Cities Institute [2018] available at <https://www.nlc.org/resource/rethinking-recycling-how-cities-can-adapt-to-evolving-markets>).

For local governments, the totality of this means that it is actually cheaper for some municipalities to send recyclable materials to landfills (see “*Sustainable Recycling: Creating Opportunity and Reducing Costs in the 21st Century*” at 2; Revolutions Systems, July 4, 2019). In fact, estimates for 2017 have the Monroe and Ontario county recycling programs sending more than 16,000 tons of glass to a landfill (see “Curbside recycling,” Orr article), something that material resource facilities need permission from the Department of Environmental Conservation to do (see e.g. <https://www.brookhavenny.gov/DocumentCenter/View/5932/2013-09-09-New-York-State-DEC-Approves-Use-of-Crushed-Recycled-Glass-for-Town-Landfill-Construction-and-Capping-PDF>). Clearly, the state of recycling is at a crossroads.

Moving Forward

Recycling is an indispensable part of our communities, but there is room for improvement. First, there needs to be extended producer responsibility. Most of us have received something in the mail and shook our head in wonder at the obscene amount of packaging, purchased something at a store and received superfluous tissue paper and an oversized bag, or opened a product to see that the opaque plastic bottle is not even close to being full. A lion’s share of recycling issues could be avoided simply by reducing waste, and producer commitment to decrease the use of materials that will just be discarded is critical. Extended producer responsibility can also take the form of encouraging producers to reuse material, create a buyback program, or simply financially support recycling programs. Responsibility for the

environment and public health neither begins nor ends with residents' diligent recycling efforts or municipalities' recycling programs; we must ask for more from those with control over product design and marketing – those who have the most resources available.

Focusing on local governments, assistance and funding for municipal recycling programs is essential. New York should be commended for adopting the New York State Bag Waste Reduction Act that prohibits single-use, carry-out plastic bags and authorizes counties and cities to impose a 5-cent fee on paper bags. AOT proposes that in counties that impose a paper bag fee, a portion of that money should be distributed to towns to support their recycling programs. In counties that opt not to impose a paper bag fee, towns should have the option of imposing fees for bags within their jurisdiction. Another way to ameliorate the pressure on municipal recycling programs is to expand the New York State Returnable Container Act, colloquially referred to as the "Bottle Bill," to include different types of drink containers and have the funding received from this expansion directed to the Environmental Protection Fund and municipal programs. Finally, AOT does not believe that requiring municipalities to incorporate minimum levels of recycled materials, whether it be through enhanced procurement guidelines or requiring the use of recycled glass in roadway repairs is effective. Unlike commercial producers and manufacturers, we simply do not have the resources as we operate under a tax cap and razor-thin budgets to absorb the increased costs associated with these ideas. In fact, it could be a self-implosion idea as appropriations for municipal recycling programs could be cut as a way to account for the increase in instituting these well-intentioned, but ultimately unusable initiatives. AOT believes that money for municipalities, not mandates, is the best way forward. We look forward to working together with you and other stakeholders on this matter.