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Testimony to Joint Committee on Environment, Natural Resources and Agriculture:

In support of: H745 / H750 (Paper and packaging); H765 (mattresses), H796
(paint), H747 (recycling service requirement), H798 (reduce solid waste)

Comments on H750, H798, H858

10/15/2019

Background:

The solid waste managers from our sixteen Member towns have worked together as the South Shore Recycling Cooperative since 1998. For twenty years, the Board has steadfastly supported Extended Producer Responsibility legislation. This would provide relief to our increasingly stressed municipal programs from those who profit from selling consumer products by sharing the costly burden of their disposal.

At no time has this relief been needed more than now.

Massachusetts is racing headlong into a disposal crisis. We already **generate more waste than we can manage**. Rather than asking "Where will our waste go?", we need to be asking "Where does it come from?", "Why is there so much of it?", and "Who should be paying for its disposal?".

In late 2017, we lost one-third of our recycling end markets to China's National Sword embargo.

- Since then, the **cost of managing single stream recyclables** in our SSRC curbside towns has **quadrupled**, from an average of \$23/ton to over \$88/ton.
- In most of those towns, recycling now costs **more than disposal** (though disposal costs are racing to get back in front).
- Even our eight drop-off programs, in which residents pre-sort recyclables, have gone from being **income generators to cost centers** due to the market contraction.
- **The value of residential mixed paper**, the largest single component of residential recyclables, **has plummeted** from \$90/ton in March 2017 to **zero** for the past year¹.
- The value of cardboard has dropped from **\$180/ton to \$35** in that time frame.

¹ PPI Pulp and Paper Week recovered Paper prices (fka RISI, aka Yellow Sheet)

What has fed this market crash?

- Ever-increasing sales of **single-use** and **not-quite-recyclable** products and packaging have created a **glut of waste material**.
- **Confusion** about what is actually recyclable, and “wish-cycling”, have **degraded the quality of recycling**, which resulted in China’s embargo.
- There is still only **token use of recycled content** in products and packaging, so **supply of recyclables exceeds demand**. This is especially true for **paper**, which is **40%** of single stream recyclables.

We’ve also reached the **tipping point** where Massachusetts **trash generation exceeds our disposal capacity**.²

- Most Mass. landfills will be closed by 2026, with no new facilities on the horizon.
- The seven waste-to-energy facilities will then be the only in-state disposal resources. And they require landfill space too, as 20-25% of the weight of the incoming trash is left as ash.
- Our **disposed tonnage has remained constant** for several years, despite efforts by municipalities and MassDEP to reduce it.
- We increasingly have to **rely on out-of-state landfills** to accept much of our wasted consumer products. This is a **precarious position** to be in.

Yet the increasing **cost of disposal and recycling is not reflected in the cost of the products**.

Thank you for taking the time to read the foregoing testimony on each of these bills.

Respectfully submitted,



Claire Galkowski, Executive Director

South Shore Recycling Cooperative

² Massachusetts 2030 Solid Waste Master Plan September 2019, MassDEP, Tables 3, 8

Support H745, An Act reducing paper & packaging waste

Paper and packaging make up **46% of our municipal solid waste**³. This includes residential, commercial and institutional trash and recycling. It is most of our recycling stream, and about 27% of our disposed tonnage⁴.

Municipal governments, taxpayers, institutional and commercial generators currently bear the entire cost associated with managing these discarded materials, including its collection for recycling and disposal in landfills and energy from waste facilities.

As noted, the cost of recycling is rising at an alarming rate, with disposal costs close on its heels.

Governments throughout the world require producers of packaging, paper and other products to provide for the collection, recovery and recycling of the materials they sell. Several States, including **Maine, Vermont, Washington** and **California**, are seriously pursuing such options.

The purposes of this bill are to:

1. **Minimize the rapidly rising costs** incurred by Massachusetts municipalities, commercial waste generators and haulers to collect, dispose of, and recycle post-consumer printed paper and packaging materials.
2. **Reduce waste** and increase recovery of the covered materials.
3. Stimulate **development of local and domestic infrastructure** for reuse and recycling.
4. **Incentivize the reduction of paper and packaging** material use, and the use of **less environmentally destructive packaging materials**.
5. Establish a **manufacturer financed and coordinated system** to accomplish this.

It does so by:

1. Establishing a multi-stakeholder **Sustainable Packaging Advisory Board**.
2. Establishing the **Sustainable Packaging Trust**, which is overseen by the Board.
3. Engaging printed paper and **product manufacturers / brand owners** that sell products in Massachusetts, or their designated producer responsibility organization(s), to develop, finance, implement and report on **plans that maximize the collection and recovery** of their post-consumer packaging, containers, and printed/printable paper.
 - a. Plans build on **existing infrastructure**, including municipalities, waste haulers and material recovery facilities, to maintain and expand convenience.
 - b. Plans include **public education** to improve participation in recovery programs.

³ MassDEP 2018 Municipal Solid Waste & Recycling Survey Responses, plus footnote 2

⁴ MassDEP Summary of Waste Combustor Class II Recycling Program Waste Characterization Studies

- c. The fee structure incentivizes the design and use of less material, and less environmentally destructive packaging.

Not only do our municipal governments need relief, so does our **atmosphere and biosphere**. The manufacture, transport and disposal consumer products in the U.S. also account for **29% of our greenhouse gas emissions**⁵, most which are generated elsewhere. Reducing the production and consumption of virgin materials, which **destroys habitat, pollutes air and water, and drives climate change**, is a necessary component of greenhouse gas reduction measures.

This is a bold and ambitious bill. **Bold ambition is what is needed right now.**

We urge you to report H745 out favorably.

⁵ Opportunities to Reduce Greenhouse Gas Emissions through Materials and Land Management Practices ", U.S. EPA, Fig. 3, September 2009

Support/comments on H750, An Act to save recycling

This bill has many similarities to H745, but has a **much more limited scope**. It would provide **some relief for municipalities** that are able to comply with its requirements. Our towns would welcome any relief.

However, it requires a much **lower level of contribution from industry** to offset recycling costs, arguably not enough to incentivize product redesign or use of recycled content.

H750 reimburses up to 80% of recycling costs to municipalities with **very clean recyclables**, and who have the **staff to do the required reporting and planning**. This is not a true producer responsibility bill. And even if all municipalities participate, it **only covers about one third of all the “municipal solid waste” generated**. The rest - 23% of residences, plus all commercial and institutional waste - is handled by **commercial haulers**^{2,3}.

Distinct from H745, municipalities' recycling costs would be paid on a **reimbursement** basis, and continuing to make them responsible for expending funds up front. Then, to be reimbursed for handling the waste created by the producers, municipalities are **tasked with additional paperwork, and crafting “Zero Waste Plans”**, with the unrealistic expectation that they can influence their residents' consumer behaviors. This is like the tail wagging the dog.

Many municipalities are already using tools to reduce waste, such as Pay as You Throw, trash limits, and MassDEP outreach assistance. It is **producers and consumers** who influence and make purchasing decisions that lead to waste, not municipalities. **This Zero Waste plan requirement should be stripped.**

There is some **inconsistency** throughout the document **regarding oversight of the Sustainable Packaging Trust**. In section 1 h) (beginning with Line 128), this Trust is under the control of the Producer Responsibility Organization(s) (PRO). In Section 2, under Section 35EEE, this Trust is under control of MassDEP. It would make sense to have **two separate funds**, one under the PRO control, the other under MassDEP.

Section 1 j) does not allow for/require a **financial reserve**, as stipulated in H745. Given the volatility of recycling markets, this is not sustainable.

Section 11E contains some highly **infeasible municipal reporting requirements**: that they report to **both MassDEP AND the PRO**, and that **monthly** reporting is required. It is challenging enough for municipalities to pull together annual solid waste reports to MassDEP, which 294 of the 352 Mass. municipalities did for 2018. These are done on a **Calendar year** basis, due in mid-February. **This section should be streamlined.**

H750 is a big step in the right direction. If this bill is favored, we would like to see some of the **elements of H745 merged** with it to create a more robust and effective program.

I noted some typos and inconsistencies in both bills, summarized on page 8.

Support H796, Relative to paint recycling

About 10 percent of paint sold in the U.S. is not used, and ultimately disposed.⁶

In our sixteen towns, that means our solid waste and hazardous waste programs handle an estimated 80,000 gallons of paint waste each year. The cost to our towns to dispose of the latex as trash is about **\$40,000/year**. The 20% that is oil based comes in at about **\$50,000**, a cost that, like all the others, is about to jump by 70% next year.

Our communities are fortunate to have a **local latex paint recycler** in our service area. After a MassDEP grant covered costs several years ago, a few of our towns have paid to host latex paint collections with Recolor Paint. This has diverted about 7000 gallons of useful material from our waste and turned it into new paint. The costs is slightly more than that of disposal.

The SSRC Board strongly supports H796. This legislation would establish a convenient statewide paint collection and recycling program for all Massachusetts residents and businesses which is **operated and financed by the paint industry**.

H796 is actively **supported by the American Coatings Association (ACA)**, which represents 95 percent of U.S. paint manufacturers. ACA's support has been a key reason for the passage of effective paint stewardship laws in nine states, including **Connecticut, Rhode Island, Vermont and Maine**.

Passage of H796 would **divert usable material** from our shrinking disposal outlets, **reduce greenhouse gas emissions** from the manufacture of new paint, provide more **convenient and responsible disposal** to consumers, and **shift costs that are borne by municipal governments** to the producers and consumers of the products.

We urge you to report H796 out favorably.

Support S495, Investigation relative to mattress recycling

As noted earlier, our **in-state landfills are a rapidly disappearing species**. Mattresses cannot be compressed, and take up more than their share of space. They are a particularly **difficult and costly for our municipalities to manage**, whether as waste or recycling.

MassDEP has stepped up to help jump-start our local mattress recycling industry, and provides 2-year grants to qualifying municipalities who have the space to manage them.

S495 creates a special commission to study this problem waste stream. It is our hope that passage of this bill will lead to a collection and recycling system run by the mattress industry, which is already succeeding in **Connecticut and Rhode Island**. This is also supported in principle by the International Sleep Products Association.

Please report S495 out favorably.

⁶ U.S. EPA Sector Strategies. Quantifying the Disposal of PostConsumer Architectural Paint. April 2007

Support/comments: H747, H798

Comments/concerns: H750, H858, S520

All of these bills put varying degrees of **responsibility on municipal governments to rein in their residents' consumer habits.**

- This should not be their sole responsibility.
- Municipalities have very limited capability to influence their residents' consumption. Many are already using the available tools such as setting trash limits. This often just pushes the **waste into another dumpster, or their recycling cart.**
- **Private haulers handle the majority of our waste** (about 3 million tons/year), servicing about **23% of our residential units**, as well as commercial and institutional sources⁷.
- Municipalities only **manage about one-third** of Massachusetts' misnamed "**municipal solid waste**" (1.5 million tons/year of the 4.5 million tons disposed).⁸

H858 and S520 place further requirements on municipal solid waste programs, while giving the commercial sector a pass. This is **unfair and ineffective.**

H747 and H798 hold private haulers and the generators they serve to the **same standards** as municipal programs, including the parallel provision of recycling services. This is more fair, and would be more effective.

H798 also gives **MassDEP the authority it needs to regulate private haulers.** Currently, MassDEP has to cajole already overworked Health Departments to do this through **local regulation.** Compliance and successful enforcement is challenging. This would be **much more effective** if done **comprehensively at the State level**, as this bill requires.

However, H798 adds a **\$1.50 disposal surcharge** to the tip fees of Mass. solid waste facilities. This may provide a **loophole** for entities that direct-haul or rail haul material from the generator to an out of state facility, giving added incentive to export solid waste. This would also add yet another cost to our already stressed municipal waste programs, unless those costs could be recovered through increased grant funding (i.e. Recycling Dividends Program).

If this bill is reported out favorably, it would be sensible to **direct the monies to the existing fund** from which recycling grants are expended, the **Sustainable Materials Recover Program Expendable Trust**, rather than create a new fund.

Finally, in all these bills, there is a **reporting requirement** for municipalities which covers the fiscal year, and is due in September. It would be more streamlined if this were shifted to the existing reporting period of the **Calendar year**, due in February. Most towns (292 of 352 in 2018) already fulfill this requirement.

⁷ MassDEP 2018 Municipal Solid Waste & Recycling Survey Responses

⁸ Massachusetts 2030 Solid Waste Master Plan September 2019, MassDEP, Tables 3, 8, plus footnote 6

Typos and other technical issues:

Line numbers refer to the “Download pdf” linked documents on The General Court website

H745, An Act reducing paper and packaging waste in the Commonwealth

Line	Correction
23	Add “be” between “can” and “or”
41	Change “an organization” to “a non-profit organization”
56-57	Insert a line break (lack thereof is only apparent in non-numbered version)
73	After “Producers,” add “excluding small producer”
79	Indent
84	Change (2) to (3)
87	Change (3) to (4)
93	Change “further u” to “further up”
98	Change (ivi) to (iv)
100	Change (4) to (5)
102	Indent
160	Delete [9] [CG10]

H750, An Act to save recycling in the Commonwealth

62-63	Delete [3] [CG4]
74-75, 86	MassDEP should approve the plans, not the board, see line 114
123, 127	Change (d) to (c)
128, 130	Conflicts with Line 186 (included in comments)
136	Delete “a reasonable share of”, this program should be self funded
153	Add “or” between “department” and “by” 186
169	Replace 11F with 11G