



PO Box 247
Westwood, MA 02090
781.329.8318
director@ssrcoop.info
ssrcoop.info

Testimony to Joint Committee on Environment and Natural Resources

in support of

S471, An Act to reduce waste and recycling costs in the commonwealth,

H823/S5422/S551, Paint stewardship, and H881, Mattress stewardship

June 14, 2023

I've worked for the solid waste managers of our [eighteen Member Towns](#) as the South Shore Recycling Cooperative's Executive Director since 1998. Our Board enthusiastically supports S471, producer responsibility for packaging and printed paper, as well as product stewardship bills covering paint (H823/S5422/S551) and mattresses (H881). This testimony focuses on S471.



Passage of S471 would provide relief to our stressed municipal program budgets by **shifting the high, volatile costs of recycling to those who control and profit from** poorly- and overly- packaged consumer products.

Massachusetts is racing headlong into a **disposal crisis**. We already **generate far more waste than we can manage**. At current levels, by the end of the decade we will be at the mercy of out-of-state disposal facilities for well **over a million tons/year** of our municipal solid waste, or MSW (residential, commercial and institutional trash).^{i,ii}

Rather than asking “Where will our waste go?”, we need to ask “Where does it come from?”, “Why is there so much of it?”, and “Who should pay to manage it?”.

Paper and packaging make up 46% of our MSW and recycling. It is our entire recycling stream, and about **27% of our disposed tonnage**ⁱ.

Municipal governments, taxpayers, institutional and commercial generators **bear the entire cost** associated with managing these discarded materials, including collection, processing of recycling and incineration and landfilling of the rest, yet **have no control over their source**.

Impact of China's National Sword

Our **recycling outlets** suffered a major disruption in 2018, when China imposed an embargo on our trashy recycling loads. Values for these volatile commodities plummeted. The recycling industry scrambled and succeeded to prevent total collapse. Still, **20-25% of the materials**

coming into the sorting facilities are infeasible to recycle. Contaminants such as plastic bags, #6 and #7 plastics, and multilayer milk cartons devalue the bales, make it more difficult and costly to sort out the recyclable items, and take a **long and expensive detour to the landfill**, bringing some good material with it.

In 2018, we lost a third of our recycling markets to National Sword. Since then:

- the **cost of managing single stream recyclables (SSR)** in our nine curbside towns has **quadrupled**, from an average of \$23/ton in 2017 to an average of \$87/ton in FY23 (see appendix). For the 65,000 households served by our curbside programs, that amounts to **\$1.5 million/year** just for processing.
- **Glass has always been a challenge** in SSR. At about 20% of the stream, when it's sorted a lot of **non-glass items** sort with it – caps, corks, cigarette butts, etc. Since it's unfit for recycling back to bottles, SSR glass is **downcycled to gravel**. **Shards** also find their way into the **paper stream**, devaluing an already low-value item and damaging the equipment. At \$78/ton, the **cost to handle it devalues the whole stream**. Even cleanly sorted glass has a very **large carbon footprint** due to its weight in transport, and the high heat (2600°F) required to make it into new glass.
- the RISI and SMP index values of residential **paper**, the largest component of our recycling streams, were zero or negative from May of 2018 through March of 2020, as supply outweighed demand. The current value is still very low, at \$15/ton.
- the **processing cost** to sort and bale SSR has jumped from about \$60/ton to \$110/ton.
 - subtracting the commodity value from the processing cost, the net recycling cost is now **on par with disposal cost** per ton.
- even our nine drop-off programs, in which residents pre-sort recyclables, have gone from being **income generators to cost centers**.

What fed this cost spiral?

- 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 was a major factor in China's embargo.
- The misperception that **paper and glass** are benign alternatives to plastic add to the weight and **reduce the value** of our recycling streams due to their low-negative values.
 - Even with their low weight, **aluminum and plastics #1, 2 and 5** contribute the **most value** to SSR.

Massachusetts trash generation exceeds our disposal capacity ⁱ

- Most Mass. landfills will be closed by 2030, with no new facilities on the horizon. Landfills in nearby states are similarly squeezed and restricting imports.
- Two of the seven waste-to-energy (WTE) facilities in Mass. closed in the past year.

- The remaining five WTEs will then be the only in-state disposal resources. And they require landfill space too: about 20% of the weight of the incoming trash (10% of the volume) 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** as distant as Alabama to accept much of our wasted consumer products. This is a **precarious position** to be in.

The US lags behind, but...

Governments throughout the world require producers of packaging, paper and other products to manage and pay for the collection, recovery and recycling of the materials they sell. This has resulted in changes such as **eliminating the unnecessary boxes for toothpaste**. These many changes add up to make a big difference in recovery and disposal.



Four states - **Maine, California, Oregon and Colorado** - have enacted laws handing responsibility for managing their packaging to brand owners since 2021. Several others, including **Vermont, Connecticut, Rhode Island, New Jersey, Maryland and Illinois**, are seriously pursuing similar producer responsibility laws.

What does S471 do?

- **Minimize the 10 figure costs** incurred each year by Massachusetts municipalities and other residential and school waste generators to collect, dispose of, and recycle post-consumer printed paper and packaging materials.
- **Reduce waste, toxicity**, and upstream emissions of **greenhouse gases and other pollutants**, and the environmental degradation of environmental justice communities.
- **Increase the rate of recovery**, reuse and recycling of the covered materials, currently at 35%.ⁱⁱⁱ As noted, **most recyclables now end up in the trash**.
- Stimulate job and economic growth through the **development and improvement of local and domestic infrastructure** for reuse and recycling.ⁱⁱ
- Incentivize the:
 - **reduction of paper and packaging** material use,
 - use of more recyclable and **less environmentally destructive packaging materials**, and
 - a **more efficient and effective recycling system**.
- Establish a **manufacturer financed system** to accomplish this.

It does so by:

- Establishing a multi-stakeholder **Sustainable Packaging Advisory Board**.

- Establishing a single **Producer Responsibility Organization**, which develops the Producer Responsibility Plan with the Advisory Board and administers the Program.
 - The Producer Responsibility **Plan** includes fee setting, funding and reimbursement mechanisms, a roadmap to 90% material recovery by 2035, litter abatement and packaging improvement, convenience standards, reporting, and public education.
 - Improves, but **does not replace, existing infrastructure**, including municipalities, waste haulers and recycling facilities, to maintain and expand convenience.
 - The fee structure incentivizes the design and use of **less material, and less environmentally destructive packaging**.
- Establishing the **Sustainable Packaging Trust**, which is overseen by MassDEP, funded by the PRO and assessed fines, and covers the costs of administration and enforcement.

Due to the bill's complexity, we hope to set up a more detailed briefing in the coming weeks.

Not only do our municipal governments, residential and school sectors need relief, so does our **biosphere**. The manufacture, transport and disposal of consumer products in the U.S. **destroys habitat, pollutes air and water, and drives climate change**. It accounts for **29% of our greenhouse gas emissions^{iv}**, most which are generated elsewhere. Reducing consumption is a crucial component of climate change mitigation.

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

We urge you to report S471 out favorably.

Thank you for taking the time to read this testimony.

Respectfully submitted,



Claire Galkowski, Executive Director
South Shore Recycling Cooperative



ⁱ MassDEP 2021 Solid Waste Data Update, Table 2; <https://www.mass.gov/doc/2021-solid-waste-data-update/download>

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

ⁱⁱⁱ Containers and Packaging: Product-Specific Data, EPA 2018 <https://www.epa.gov/facts-and-figures-about-materials-waste-and-recycling/containers-and-packaging-product-specific-data>

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



Passing the Producer Responsibility bill, SD1651 for containers, packaging, and paper, Massachusetts can:

REDUCE UNNECESSARY PACKAGING, INCREASE RECYCLING, & SAVE MUNICIPALITIES MONEY

A PRODUCER RESPONSIBILITY SYSTEM FOR CONTAINERS, PACKAGING, AND PAPER WILL:



Reduce wasteful, non-recyclable and unnecessary packaging and unwanted mail.



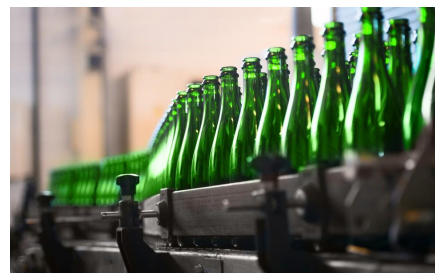
Create financial incentives for companies to use more recyclable materials with more recycled content.



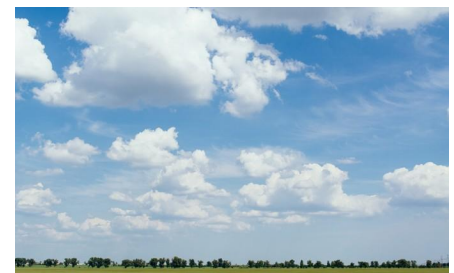
Provide free recycling for all MA residents, including those living in apartments, dormitories and rural areas.



Save local governments money by reimbursing their costs to run recycling programs, and reducing disposal costs.



Support Mass. businesses by creating a more resilient domestic supply of raw materials to make new products.



Cut greenhouse gas emissions and pollutants from manufacturing, transporting and disposing of covered

Recycling avoids three tons of climate pollution for every ton recycled.

-U.S. EPA <https://tinyurl.com/mwzsfbea>

HOW A PRODUCER RESPONSIBILITY SYSTEM WILL WORK

- **Companies that produce** printed paper (flyers, mailings, ...), and sell/deliver packaged products in Massachusetts will be required to **pay the costs to recycle** those materials.
- The companies form an independent non-profit, called a “**Producer Responsibility Organization**” (PRO), to coordinate, fund and manage the program.
- **Companies pay fees** to the PRO based on the amount & types of packaging used.
- The PRO uses these funds to **reimburse local governments & private haulers** the cost to run **convenient recycling programs** for **residents, schools & small businesses**.
- **MassDEP oversees** the PRO, with input from a stakeholder **advisory committee**. It sets fees, and ensures that **reduction & recycling goals** are met.
- The PRO will also pay for consumer education, infrastructure improvements, and government oversight of the program.

PRODUCER RESPONSIBILITY IS A PROVEN SOLUTION

Over **40 countries** have reduced waste with Producer Responsibility policies for containers and packaging materials. And, **four states** (ME, OR, CA, CO) adopted the first US policies for packaging in 2021-22.

WILL THIS INCREASE COSTS FOR CONSUMERS?

Producer Responsibility programs are in place in dozens of countries and provinces. Some have in place for nearly three decades. There is **no evidence** to show that Producer Responsibility programs led to an increase in consumer prices, based on research on similar programs throughout Canada and Europe.

BUSINESSES SUPPORT PRODUCER RESPONSIBILITY TO STRENGTHEN SUPPLY CHAINS

Businesses have faced massive disruptions in global supply chains, and struggle to source the metal, paper, plastic, and glass needed to make new packaging and products. Meanwhile Massachusetts buries or incinerates more than **1.5 million tons** of the materials covered by this legislation every year. By recycling more, we can create a **reliable domestic supply of materials** to make new products. Over **100 global companies** have publicly stated their **broad support** for Producer Responsibility policies to increase recycling, reduce plastic pollution, and help strengthen local economies.

Producer Responsibility in Massachusetts has support from local governments, Massachusetts Municipal Association, the Metropolitan Area Planning Council, environmental groups, and many more. For more information, please contact:

Waneta Trabert

Massachusetts Product Stewardship Council
(MassPSC)

City of Newton

wtrabert@newtonma.gov

Claire Galkowski

Executive Director

South Shore Recycling Cooperative

director@ssrcoop.info

Learn more at

massrecycle.org/initiatives-events/massachusetts-product-stewardship-council/

FY23 municipal recycling costs per ton

December-22		Jan-23		Feb-23		Mar-23		Apr-23		May-23		Jun-23		Average
SMP High \$/ton	BV Contribution	SMP High \$/ton	BV Contribution	SMP High \$/ton	BV Contribution	SMP High \$/ton	BV Contribution	SMP High \$/ton	BV Contribution	SMP High \$/ton	BV Contribution	SMP High \$/ton	BV Contribution	BV Contribution
\$35.00	\$5.29	\$35.00	\$5.29	\$35.00	\$5.29	\$35.00	\$5.29	\$45.00	\$6.80	\$50.00	\$7.55	\$55.00	\$8.31	\$8.12
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$4.00	\$1.79	\$10.00	\$4.48	\$15.00	\$6.72	\$15.00	\$6.72	\$6.68
\$1,240.00	\$7.44	\$1,400.00	\$8.40	\$1,600.00	\$9.60	\$1,600.00	\$9.60	\$1,500.00	\$9.00	\$1,500.00	\$9.00	\$1,500.00	\$9.00	\$8.75
\$165.00	\$4.29	\$165.00	\$4.29	\$165.00	\$4.29	\$185.00	\$4.81	\$15.00	\$0.39	\$15.00	\$0.39	\$15.00	\$0.39	\$3.71
\$250.00	\$8.00	\$260.00	\$8.32	\$290.00	\$9.28	\$300.00	\$9.60	\$320.00	\$10.24	\$320.00	\$10.24	\$290.00	\$9.28	\$9.89
\$1,280.00	\$5.12	\$1,320.00	\$5.28	\$1,320.00	\$5.28	\$1,460.00	\$5.84	\$1,460.00	\$5.84	\$1,460.00	\$5.84	\$1,590.00	\$6.36	\$4.89
\$210.00	\$2.73	\$210.00	\$2.73	\$210.00	\$2.73	\$300.00	\$3.90	\$340.00	\$4.42	\$380.00	\$4.94	\$390.00	\$5.07	\$3.63
\$120.00	\$1.32	\$120.00	\$1.32	\$120.00	\$1.32	\$200.00	\$2.20	\$200.00	\$2.20	\$260.00	\$2.86	\$260.00	\$2.86	\$2.42
-\$78.00	-\$16.30	-\$78.00	-\$16.30	-\$78.00	-\$16.30	-\$78.00	-\$16.30	-\$78.00	-\$16.30	-\$78.00	-\$16.30	-\$78.00	-\$16.30	-\$16.13
-\$85.00	-\$8.50	-\$85.00	-\$8.50	-\$85.00	-\$8.50	-\$85.00	-\$8.50	-\$85.00	-\$8.50	-\$85.00	-\$8.50	-\$85.00	-\$8.50	-\$8.50
	\$9.38		\$10.82		\$12.98		\$18.23		\$18.56		\$22.74		\$23.18	\$23.45
100.00	100.00		\$110.00		\$110.00		\$110.00		\$110.00		\$110.00		\$110.00	\$105.00
	-\$90.62		-\$99.18		-\$97.02		-\$91.78		-\$91.44		-\$87.26		-\$86.82	-\$81.55

Republic's pass through BV list uses the SMP value for steel sorted, baled, picked up, much higher than densified value.
However, the processing fee is \$115/ton

FY23 municipal recycling costs per ton

Material Component	Commodity Value	Composition Percentage	Jul-22		Aug-22		Sep-22		Oct-22		November-22	
			SMP High \$/ton	Blended Value (BV) Contribution	SMP High \$/ton	BV Contribution	SMP High \$/ton	BV Contribution	SMP High \$/ton	BV Contribution	SMP High \$/ton	BV Contribution
Cardboard, brown papers	PPW OCC #11 HS NE	15.1%	\$80.00	\$12.08	\$120.00	\$18.12	\$80.00	\$12.08	\$40.00	\$6.04	\$35.00	\$5.29
Mixed Paper	PPW #54 HS NE	44.8%	\$75.00	\$33.60	\$45.00	\$20.16	\$15.00	\$6.72	\$0.00	\$0.00	\$0.00	\$0.00
Aluminum cans	SMP for Aluminum Cans (Sorted, Baled, , delivered) minus	0.6%	\$1,840.00	\$11.04	\$1,840.00	\$11.04	\$1,200.00	\$7.20	\$1,040.00	\$6.24	\$1,240.00	\$7.44
Steel/Tin	SMP for Steel Cans (Sorted, Densified, (\$/Ton delivered)	2.6%	\$210.00	\$5.46	\$195.00	\$5.07	\$195.00	\$5.07	\$195.00	\$5.07	\$190.00	\$4.94
Plastic #1	SMP for PET (baled, ¢/lb. picked up)	3.2%	\$780.00	\$24.96	\$240.00	\$7.68	\$200.00	\$6.40	\$220.00	\$7.04	\$240.00	\$7.68
Plastic #2 Natural	SMP for Natural HDPE (baled, ¢/lb. picked up)	0.4%	\$960.00	\$3.84	\$960.00	\$3.84	\$840.00	\$3.36	\$960.00	\$3.84	\$1,050.00	\$4.20
Plastic #2 Colored	SMP for Colored HDPE ((baled, ¢/lb. picked up)	1.3%	\$520.00	\$6.76	\$300.00	\$3.90	\$140.00	\$1.82	\$140.00	\$1.82	\$210.00	\$2.73
Tubs and Lids (Plastic #5)	SMP PP Post Consumer (baled, cents/lb. picked up)	1.1%	\$560.00	\$6.16	\$360.00	\$3.96	\$200.00	\$2.20	\$120.00	\$1.32	\$120.00	\$1.32
Glass	"Actual" Value	20.9%	-\$68.04	-\$14.22	-\$78.00	-\$16.30	-\$78.00	-\$16.30	-\$78.00	-\$16.30	-\$78.00	-\$16.30
Non-Recyclables Costs	T & D	10.0%	-\$85.00	-\$8.50	-\$85.00	-\$8.50	-\$85.00	-\$8.50	-\$85.00	-\$8.50	-\$85.00	-\$8.50
Total	Blended Value	100.0%	\$81.18		\$48.97		\$20.05		\$6.57		\$8.79	
Processing Charge				\$100.00	\$100.00		\$100.00		\$100.00		100.00	
Net Rebate				net rebate	-\$18.82		-\$51.03		-\$79.95		-\$93.43	
											-\$91.21	