



# 2019 Testimony

545 LONG WHARF DRIVE, 8TH FLOOR, NEW HAVEN, CT 06511 • PHONE (203) 498-3000

## ***ENVIRONMENT COMMITTEE***

March 11, 2019

The Connecticut Conference of Municipalities (CCM) is Connecticut's statewide association of towns and cities and the voice of local government - your partners in governing Connecticut. Our members represent 99% of Connecticut's population. We appreciate the opportunity to testify on bills of interest to towns and cities.

### **H.B. 7298 “An Act Concerning the Permitting for Certain Solid Waste Facilities and the Designation of Recyclable Items.”**

CCM **supports the intent of Section 2 in H.B. 7298** as it seeks to amend the definition of “designated recyclable item” as defined in subdivision 28 of section 22a-207 of the Connecticut General Statutes. Under the bill “designated recyclable item” will now mean items that are “reasonably and economically recoverable” and that such items do not increase cost to, among others, municipalities.

As part of our 2019 Legislative Program, CCM called on the General Assembly to prohibit the passage of any new recycling mandates on municipalities until such markets are established to manage recyclable materials, as defined in regulations established under CGS 22a-241b, in the state. CCM supports Section 2 of H.B. 7298 as it supports our call.

In 2017, the Chinese Government announced The National Sword, a policy that limits the kind of recyclables the country accepts. No longer will China take on what it terms “foreign garbage,” limiting the amount of impurities in recyclables in order to protect its own environment, which is the world's most polluted (rated by CO2 emissions, America is number two).

As a result of China's new policy, certain recyclables like mixed papers and plastics are now considered contaminated, and are required to be sorted out. This not only increases facilities costs in sorting the products, but the ability of those facilities to sell the products, placing local governments in the state on the hook for the expanding costs of managing packaging materials, especially plastics.

The current slump in recycling markets has helped draw attention to the fact that taxpayers and ratepayers bear the primary risk of any downturn in the value of collected material. When recycled commodities markets slide, additional taxpayer or ratepayer subsidization of community recycling programs is required. In the era of ongoing budget crises, the value of recycling has been increasingly called into question, and some communities are now being forced to pay for rather than be paid for these materials.



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As the recycling crisis continues CCM would like to highlight for the Committee some specific cost examples of the communities who are now incurring costs for recycling. These are highlighted by the net change for their town moving from a revenue item to and expense item from the current fiscal year to how they are budgeting for it for the new fiscal year.

<b>Bridgeport</b>	<b>Shifting from \$129,512 in profits to projected \$394,380 in expenses.</b>
<b>Stamford</b>	<b>Now paying \$700,000 to a company to process its recycling materials; a significant change from last year when the city generated \$95,000 in revenues.</b>
<b>Waterbury</b>	<b>Shifting from \$15,022 in revenues to \$330,000 in expenses.</b>
<b>Fairfield</b>	<b>Shifting from over a \$50,000 profit center to a \$525,561 cost center.</b>
<b>Milford</b>	<b>Shifting from \$85,000 in revenue to \$250,000 in costs.</b>
<b>Stratford</b>	<b>Shifting from a \$64,000 profit center to a \$240,000 cost center.</b>
<b>Hamden</b>	<b>Shifting from no net expense to a \$190,000 cost item.</b>
<b>Seymour</b>	<b>Shifting from \$12,000 in revenues to \$171,316 cost item.</b>
<b>North Haven</b>	<b>Previously incurred no cost or revenue from recycling and now will have to pay \$70 per ton.</b>
<b>Plymouth</b>	<b>Previously received \$9.05 per ton for recycles and now will have to pay \$70 a ton – that is an \$80,000 swing from a revenue item to and expense item.</b>
<b>Montville</b>	<b>Previously received \$5.00 per ton for recycles and now will have to pay \$30 a ton – that is a \$35 per ton swing from a revenue item to and expense item.</b>
<b>Wilton</b>	<b>Previously received \$20 per ton for recycles and now will have to pay \$65 a ton – that is an \$85 per ton swing from a revenue item to and expense item.</b>



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<b>Naugatuck</b>	<b>Was being paid \$16 a ton for recycling, but now have to pay \$23 a ton.</b>
<b>Union</b>	<b>Changing from \$500 in revenue through recycling to a \$3,000 expense.</b>
<b>Columbia</b>	<b>Changing from \$2,027 in revenue through recycling to a \$12,166 expense.</b>

The National League of Cities (NLC) has written on this issue extensively, and one of its recommendations for local governments is to, “Collaborate with your local economic development office to evaluate your current markets and identify new local and regional opportunities for unconventional or novel uses of your communities recycling commodities.” They even suggest that tax breaks and recycled materials minimums in procurement might help foster the creation of new markets.

One of NLC’s case study cities is Austin, Texas, which has led the way in this type of adaptability. They created the Materials Marketplace, which is an “online platform that connects local individuals with businesses to divert, reuse and/or repurpose materials that are difficult or impossible to recycle or compost.” Giving new meaning to the phrase “one man’s trash is another man’s treasure,” Austin has found a way to once again turn certain recyclables into a profitable market, while at the same time benefitting local businesses and creating jobs. With ingenuity like this, no one loses.

The National Sword is just getting started. According to NLC’s reporting, additional restrictions will be rolled out continually through 2019 until 2020, when “China aims to halt all solid waste imports.” There’s some thought that other countries might pick up the market that China is abandoning, but in light of the Paris Accord, it’s hard to see the market returning to 2016 levels.

The state of recycling needs a renewal itself. Towns and cities cannot afford to have recyclables become a greater expense, one that matches solid landfill waste. There are ideas out there for municipalities to lessen the tipping fees for their towns; in one case that means banning certain items altogether, in another you remove an item like glass from the stream altogether. However this can also be seen as an opportunity. Americans produce more municipal waste than any other country in the world, according to the NLC. There should be a push to create local markets as they have in Austin.

Local governments have no intention of halting recycling. There is too much invested in our natural beauty and resources, our rivers, lakes, and forests to let recyclables pile up in landfills taking up more and more of the finite resource of our great State’s land. Instead municipalities are looking to be partners with the state in finding mutually agreeable and financially sustainable solutions to this growing crisis.



CCM would encourage the Governor and General Assembly to begin to explore ways to establish new markets in the state as an economic development opportunity. An opportunity that will not only help the economy statewide but that will alleviate the financial burdens the National Sword decision has had on our local communities.

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If you have any questions, please contact Donna Hamzy Carroccia, Advocacy Manager of CCM at [dhamzy@ccm-ct.org](mailto:dhamzy@ccm-ct.org) or (203) 843-0705.