

# Colorado Legislation to Reduce Waste and Improve Recycling

Liz Chapman,
Executive Director of Recycle Colorado



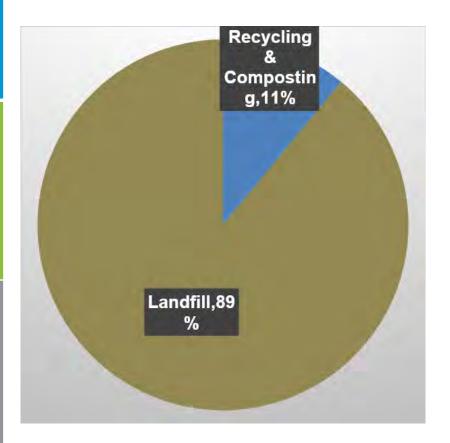
#### **Mission**

To advance infrastructure, end markets, and state and local policies in waste reduction, recovery, and diversion.

#### Membership

Private companies working in waste recovery or manufacturing, consultants, municipalities, counties, non-profits, environmental organizations, and individuals.

# **Recycling in Greater Colorado**



- 11% recycling rate is less than state average of 15%; meets 2021 GC goal
- Private hauler trash and recycling collection
  - > 80% of residents in communities over 5k pop have recycling access, only 33% have guaranteed recycling
  - Large reliance on drop-off centers
- Added challenges: lower population density; higher transportation costs, influx of service need from seasonal tourism

# **Building toward big policy changes**

**2017-22:** Published <u>State of Recycling in CO</u> reports

**2019:** Legislative committee to <u>study zero waste</u> <u>solutions</u>

**2019:** Law to create \$100M waste diversion grant fund

**2020:** Law to study <u>EPR opportunities</u> <u>& Governor declares CO Recycles Week</u>

**2021:** Law to <u>ban plastic bags</u>, <u>Styrofoam</u> <u>containers</u>, <u>lift local preemption</u>

**2022:** Laws to create <u>Circular Economy</u>
<u>Development Center & Producer Responsibility</u>
<u>for Recycling Packaging and Paper</u>



Governor Polis and First Gentleman Marlon Reis announcing Colorado Recycles Week

# **Upcoming policy implementation**



Plastic Pollution Reduction Act (HB21-1162)



Waste Diversion & Circular Economy (HB22-1159)



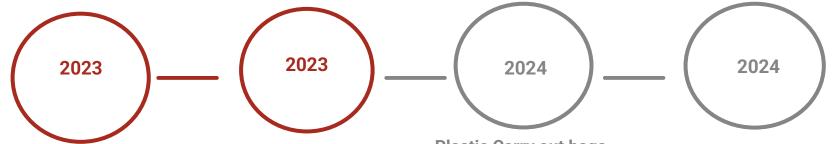
Producer Responsibility for Recycling (HB22-1355)

#### HB21-1162 Plastic Pollution Prevention Act

- Jan. 1, 2023
  - Charges a 10 cent fee on all single use bags (small business/restaurants exempt) Municipalities/Counties collect fee (businesses keep \$.04 of fee)
- Jan. 1, 2024
  - Bans all single use plastic bags (fee on paper, small business/restaurants exempt)
  - Ban polystyrene food containers statewide
  - Remove pre-emption and allow local governments to enact and enforce laws that prohibit, restrict or mandate the use or sale of plastic materials, containers, packaging or labeling
- Recycle Colorado and Colorado Municipal League are offering a webinar on November 2 11am - 12:30pm <u>Hybrid Workgroup: Plastic Pollution Reduction Act | CML</u>



## Overview of HB21-1162 timeline



\$0.10 Fee for carryout bags (minimum)

Applies to large grocers and retailers

Local governments retain 60% of fees

Collected fees must be used to fund waste diversion and education Plastic Carry out bags banned from large grocers and retailers

Municipalities and
Counties are permitted to
enact more stringent rules
or higher fees.

Polystyrene containers banned

Applies to food containers and cups at restaurants and schools

# What is the aim of HB22-1159? Circular Economy End Market Development Center



- The center focuses on increasing the <u>demand</u> for recyclables in the state.
- Grow existing markets
- Create new markets
- Provide necessary infrastructure, systems, logistics and marketing to create a sustainable circular economy for recycled commodities and compost

#### **CENTER ACTIVITIES**



- In the first year the center will conduct a statewide end-market gap analysis and opportunity assessment with a final report due August 1, 2024.
- While the bill did not establish a formal advisory board, the center shall seek and consider input from: CDPHE, OEDIT and representatives from the public and private sectors engaged in waste diversion and economic development.

#### CREATING THE CENTER



- Directs CDPHE to contract with a third-party administrator to operate the center by July 1, 2023
- Funding for the center is provided by RREO (40%) and FRWD (60%)
- A Request for Proposals is being drafted
- Proposals shall include at a minimum a proposed work plan outlining goals, strategies, activities, deliverables and expected outcomes

# **Circular Economy Development Center Benefits to Colorado**

More consistent and cost-efficient recycling systems

Confusion among Residents/Consumers

Colorado needs more recycling infrastructure

EPR development and communication with Businesses

Colorado needs more manufacturing and endmarkets

Better solutions for smaller municipalities and towns

### What CO EPR law will do



Develop a convenient, cost-effective statewide recycling system with free recycling to all residents that funds ALL aspects of the recycling process



Be funded and managed by producers who sell packaging and paper in and into the state



Set up an industry-run program with appropriate government oversight and advisory board of key stakeholders

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



Increase our recycling rate and reduce climate pollution.



Provide free recycling for all Coloradans, including those living in apartments and in rural areas.



Develop a clear common list of what can be recycled statewide.

# WHY THIS POLICY MATTERS



Save local governments money by reimbursing their costs to run recycling programs.



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



Create financial incentives for companies to reduce unnecessary packaging and use greener, more recyclable materials.

# All residents receive free recycling



- All single-family and multi-family residents
- Recycling is as convenient as trash
- Recycling provided at no cost
- May expand to schools, small businesses, government buildings, parks, etc. after 2028
- Does not cover trash services, construction waste, electronics or other recycling or waste services



# What packaging and paper is included

- All consumer-facing packaging: bottles, containers, cardboard
- Printed paper (magazines, junk mail)
- Food service packaging
- All products pay into the system even if not recyclable





# Producers (Brands) pay for the program

- Producers = Brand owners (name on the packaging)
- Dues are based on amount and type of packaging
- Lower dues for easy to recycle packaging to drive better design
- Exemptions for small businesses



# PRO reimburses for 100% of recycling costs







PROCESSING



**EDUCATION** 



INFRASTRUCTURE INVESTMENTS

- All single-family and multi-family residents throughout Colorado
- May expand to schools, parks, small businesses after 2028

#### Will this increase costs to consumers? No.

20+ years of similar policies have shown no price increases due to Producer Responsibility
Dues are fractions of a penny per product
Households currently paying for recycling will save money on services
Local governments will save tens to hundreds of thousands of dollars on recycling programs and drop-off centers

Current inflation is driven by supply chain shortages, increase in labor costs, transportation

challenges 
Producer Responsibility may lower material costs by strengthening supply chains

# How much will it cost producers and consumers?

Material	Cost per pound (USD)
Aluminum cans	\$0.03
Newspaper	\$0.04
Glass bottles	\$0.06
Cardboard	\$0.10
Plastic water & soda	
bottles	\$0.13
Plastic bags and films	\$0.22
Polystyrene plastic (#6)	\$0.30

- Fractions of a penny per product
- Costs determined by needs assessment and PRO plan, and approved by CDPHE
- No evidence of cost increases to consumers under existing programs

Sample average dues from Canadian programs; not actual costs in Colorado

# Who provides the recycling services?

PRO contracts with private and public service providers that will meet recycling goals

Utilize and expand on existing businesses

No requirement for local governments to be service providers

Reimbursement for 100% of net costs for providers



# **Governance and process**

# State agency

Oversight and enforcement

# Advisory board

 Independent local stakeholders

# **PRO**

Board of brand owners

# **Implementation timeline**

#### 2023

- CDPHE convenes Advisory Board
- Producer Responsibility Organization (PRO) forms
- PRO conducts needs assessment of recycling system and proposes goals

#### 2024

- Legislature signs off on recommended recycling goals and projected costs
- PRO drafts plan based on Needs Assessment

#### 2025

- Advisory Board reviews plan, gives recommendations to CDPHE
- CDPHE approves plan to meet goals

#### 2026

- Program launch
- Municipalities/haulers reimbursed for recycling services

#### **Accountability is Key to Program**

Recycling goals based on Needs Assessment w/ input from Advisory Board & CDPHE

Legislature will approve the recycling goal for the program

PRO required to ensure materials go to responsible end market to be recycled

PRO will contract with service providers that can show they are recycling materials

The PRO must provide annual reports and audits

PRO will do needs assessments every 5 years to ensure needs are being met and to update goals



# **Roles for Local Government and Groups**

Learn about Producer Responsibility – thank legislators, promote to residents

Provide input – on the Advisory Board, Needs Assessment, PRO Plan

Gather data about local recycling and identify local recycling desires/goals

Implement policies to maximize benefits

### Policies to maximize benefits

Implement a universal hauling contract

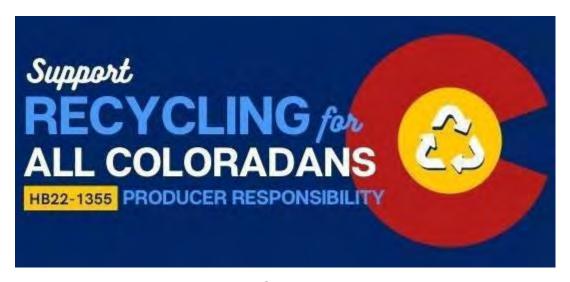
Require volume-based pricing (Pay as You Throw – PAYT)

Identify a site for multi-stream drop-off center (for populations without curbside trash)

Required hauler licensing and reporting

Update ordinances/building codes to require equal space for recycling and trash at new and remodeled multifamily and commercial buildings

# Resources and get in touch



<u>www.recyclingforallcoloradans.org</u> https://cdphe.colorado.gov/hm/producer-responsibility-program

Liz Chapman
Executive Director, Recycle Colorado
executive.director@recyclecolorado.org