



SB20-055: Incentivize the Development of Recycling End Markets

Sponsors: Senators Kevin Priola and Tammy Story, Representatives Lisa Cutter and Jeni Arndt

THE PROBLEM

Colorado needs more local businesses to use our recyclable materials to make new products. Senate Bill 20-055 will help communities that are currently paying high costs for transporting recyclable materials out of state, representing a lost economic opportunity for Colorado.

Colorado lacks local recycling markets for most major recyclable materials. Nearly all of the paper, metal, and plastic that Colorado collects for recycling are shipped out of state, or even out of the country, before being made into new products.

The costs of transporting recyclable materials are a significant burden on local communities, especially in rural areas, and are one of the biggest obstacles to expanding recycling programs around the state.¹

Our lack of recycling is a lost economic opportunity.

Each year, Colorado buries nearly \$265 million worth of recyclable material including aluminum, cardboard, paper, glass, and plastic in our landfills. That material could be recycled here in Colorado, creating local jobs and strengthening local economies. Recycling, reuse and remanufacturing already contribute \$8.7 billion to the Colorado economy annually, yet there is so much more economic opportunity we can realize by investing in more recycling opportunities and businesses here in Colorado.

Colorado has one of the lowest recycling rates in the country. We only recycled and composted 17% of our municipal solid waste in 2018 — less than half the national average of 35% and far below our statewide goal of 28% by 2021.⁴

We are one of the most wasteful states in the country.

Colorado generated over 15,900,000 tons of waste in 2018, up 14% from 2017. More than 95% of Colorado's waste could be diverted from landfills and could serve as the feedstock for businesses in the state to make new products. 6

WHAT IS A RECYCLING END MARKET?

End markets are manufacturers that use your recyclables to make new products. These end markets can include paper mills, metal smelters, glass factories, and plastics fabrication plants.

¹ CDPHE, 2016. Colorado Integrated Solid Waste and Materials Management Plan. Accessed at www.colorado.gov/pacific/cdphe/Integrated-Solid-Waste-Materials-Mgmt-Plan.

² CDPHE, 2016.

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⁴ Colorado Department of Public Health and Environment, 2019. 2018 Recycling Data Totals. https://www.colorado.gov/pacific/cdphe/2018-colorado-recycling-totals. EPA, 2019. National Overview: Facts and Figures on Materials, Wastes and Recycling. Accessed at https://www.epa.gov/facts-and-figures-about-materials-waste-andrecycling/national-overview-facts-and-figures-materials.
Department of Public Health and Environment, 2018. Annual solid waste diversion totals 2007-2017. Accessed at www.colorado.gov/pacific/cdphe/swreports. CDPHE, 2016.

⁵ Ibid

⁶ Ibid

THE SOLUTION: Grow Colorado's Recycling Economy by investing in the development of end markets for recyclable materials.

- Recycling markets have taken a significant downturn in the past two years, but major investments are being
 made around the U.S. to expand domestic recycling infrastructure. Now is a critical time for Colorado to
 capitalize on the need for local recycling markets and attract end market users and entrepreneurs to our
 state.
- We can attract new businesses to the state and create jobs for Coloradans by creating incentives for manufacturers to incorporate recycled materials into their products, and by providing them a strong supply of clean, recycled feedstock to use from community recycling programs. This bill will also support and help grow existing end market businesses, including businesses that recycle glass, electronics, and compost.
- Developing end markets in Colorado would increase the demand for recycled materials, which would in turn
 raise the value of recyclables and make recycling more economically viable, resulting in more materials
 diverted from landfills. Local markets would also decrease transportation costs, which would be particularly
 beneficial to rural parts of the state.
- Market development programs are a proven solution to grow recycling markets and are in place in several states, including MN, NC, SC, and PA. In 2019, WA and CA reinstated their end market development initiatives in response to global declines in recycling markets.

SB20-055:

INCENTIVIZE THE DEVELOPMENT OF RECYCLING END MARKETS

This bill was developed by the bipartisan Interim Zero Waste Committee after consultations with Colorado recyclers about their programs, as well as other national waste experts. This bill, signed into law in 2020, will:

- Require the Colorado Department of Public Health and Environment (CDPHE) to recommend a structure and provide governing guidance for a recycling end market development center to support the development and expansion of end market businesses.
- Direct CDPHE to conduct a review of current efforts and create policy and legislative recommendations for how product manufacturers could play a larger role in designing, managing, and financing programs for end-of-life management of their products and packaging. This strategy would expand recycling programs and reduce costs on local governments.
- Require CDPHE to conduct a statewide campaign to educate Colorado residents about recycling through social media, television and radio announcements, and printed materials.