

# **New Yorkers for Real Recycling Reform**

## **Clean and simple.**

### **RECYCLING FOR COMMUNITIES ACT ISSUE SUMMARY**

#### What does the Recycling for Communities Act (RCA) do?

- The RCA creates two dedicated funds supported by a broad-based fee paid by businesses that produce or sell products in New York that are recyclable or may contribute to litter.
- The RCA eliminates the current bottle law's \$125 million price tag; directs new money to address the entire litter and recycling issue, not just the small fraction captured by the bottle bill; and eliminates duplication, inconvenience, and inefficiency of two competing recycling systems.
- RCA revenues accumulate in funds administered by the New York State comptroller and the DEC commissioner and get distributed to New York communities in three ways:
  1. Sixty-five percent goes to municipal recycling programs in communities throughout the state to cost effectively collect and recycle all materials. The money will be divided among communities based on population and the amount of recycling the communities are doing.
  2. Thirty percent goes to community-based litter abatement programs – both litter prevention and litter control. This will allow communities to invest in additional programs and workers to clean up the streets and public areas of all litter. This money will be apportioned to communities based on their population, road and beach mileage and the amount of litter collected.
  3. Five percent will be used to promote recycling market development to ensure that collected materials will actually be reused or remade into new products.

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### Where Does the Money Come From?

- A dedicated fund will be developed through a fee levied on companies that produce, distribute, or sell any of a list of products that are recyclable or may contribute to litter.
- Products subject to the fee includes food; groceries; beverages; tobacco products; cleaning products; toiletries; glass, metal, or plastic containers; newsprint and magazine paper stock; and paper products.
- Companies that manufacture or sell these products pay a fee to the state ranging from 0.0225% to 0.03% of sales (\$225 to \$300 per \$1 million); small retailers and eat-in restaurants are exempt. Since the rates are so low and broad-based, consumer prices will not be impacted.
- Based on this formula, the RCA will raise an initial \$19 million to assist in the transition to the state's new, more efficient recycling and litter control programs. Beginning in September 2006, \$23 million a year will go to the RCA fund to build better recycling programs and cleaner communities.
- In addition, communities will benefit from revenue earned from materials formerly recycled through the bottle bill. Communities are projected to earn \$24 million per year from aluminum cans alone.

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### What Are The Consumer Impacts of the RCA?

- Consumers will benefit from the additional support for their local recycling and litter programs. Additionally, recycling will become less expensive and more convenient.
- Companies will pay modest fees on many items to raise RCA funds. The fee won't have a significant impact on prices because the fees are relatively small and spread over producers, distributors, and retailers. And, since these fees do not work like a sales tax, they won't appear on checkout receipts.
- Consumers also benefit from the elimination of the beverage container deposit in 2007. This will eliminate paying the deposit and other deposit-related expenses and remove unsanitary bottles and cans from retail stores.
- Most importantly, New Yorkers will benefit from a program which will:
  - Conserve landfill space by diverting more solid waste to recycling;
  - Clean up roadways, beaches and other public spaces with dedicated litter abatement and prevention measures;
  - Create new recycling markets, enabling local solid waste programs to efficiently recycle materials.

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### Why Not The Bottle Bill?

- The proposal to expand the bottle bill would cost consumers \$328 million per year, complicate their lives, burden grocers, and do almost nothing for the environment.
- Beverage containers average less than 9% of all litter and account for less than 2.5% of municipal waste generated in homes and businesses in NY; the RCA refocuses our efforts on the bigger picture and provides ongoing, dedicated funding.
- The RCA directs new money to the entire litter problem, not just part of it. When it passed in the early 1980s, the bottle bill was designed to reduce beverage container litter. While it deserves credit for its successes, New York has never developed a comprehensive approach to dealing with the other 90%+ of litter that the bottle bill ignores.
- The bottle bill was never intended as a recycling measure, though it raised awareness that beverage containers could be recycled. After the bottle bill passed, New York communities began offering curbside recycling and other source separation programs to keep a broad range of recyclables out of our overflowing landfills.
- Since it is more efficient to collect all recyclables at once, rather than having two separate and competing systems (container redemption and community recycling), the RCA makes recycling easier for consumers and less expensive for communities. Further, giving communities access to valuable beverage container material like aluminum will reduce local program costs, lowering costs to taxpayers.