



**National
Waste & Recycling
Association**SM
Collect. Recycle. Innovate.

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Hon. Paul Tonko
Chairman
Subcommittee on Environment and
Climate Change
Committee on Energy and Commerce
United States House of Representatives
Washington, D.C. 20515

Hon. David McKinley
Ranking Member
Subcommittee on Environment and
Climate Change
Committee on Energy and Commerce
United States House of Representatives
Washington, D.C. 20515

Dear Chairman Tonko, Ranking Member McKinley, and Members of the Subcommittee on Environment and Climate Change:

Thank you for holding your hearing on “No Time to Waste: Solutions for America’s Broken Recycling System.” The National Waste & Recycling Association (also referred to as “NWRA” or “the association”) is the voice for the private sector waste and recycling industry that is essential to maintaining the quality of American life. The delivery of waste and recycling services impacts all residential, commercial, and industrial properties on a daily basis. To that end, NWRA supports swift passage of the Recycling Infrastructure and Accessibility Act (H.R. 8183) and the Recycling and Composting Accountability Act (H.R. 8059).

NWRA’s mission is to provide leadership, advocacy, research, education, and safety expertise to promote the waste and recycling industry. NWRA’s goal is to create a favorable business climate where our members can prosper and provide safe, economically sustainable, and environmentally responsible services and jobs that benefit communities throughout America.

Association members operate in all 50 states and the District of Columbia and can be found in most, if not all, U.S. congressional districts. Waste and recycling facilities number nearly 18,000 scattered throughout the U.S., mirroring population centers. NWRA’s nearly 700 members are a mix of publicly traded and privately owned local, regional and Fortune 500 national and international companies. NWRA represents approximately 70 percent of the private sector waste and recycling market.

It is estimated that the private sector waste and recycling industry accounts for more than one million jobs and generates nearly a quarter of a trillion dollars in U.S. GDP. The association’s publicly traded member companies are among the largest components of the Dow Jones U.S. Waste & Disposal Index

Ensuring that all Americans have access to recycling provides equity and supports sustainable materials management across the nation. However, rural areas often have unique challenges in collecting recyclables and accessing recycling markets leaving these communities underserved. Worse, global import restrictions over the past few years have resulted in reduced recycling access.

Good data is needed to support recycling. The composition of recycling, composting and waste has changed significantly over time. For example, paper and cardboard have long made up the largest component of our recyclables but this has changed significantly with newspapers now only a third of what they were in 2005 and cardboard boxes from households increasing due to what is referred to as the “Amazon effect.” Food waste has become the largest part of what ends up in landfills and the amount of clothing disposed has doubled over the last twenty years. Understanding what makes up our waste stream helps with planning for the future. Our industry relies on it in order to make decisions. That is why

NWRA is pleased to support the Recycling and Composting Accountability Act. This act will empower EPA to perform the studies that our members need.

Given the changing make-up of materials, recycling has become increasingly complex over the past twenty years. The public demands greater amounts of packaging be recycled. To manage this growing diversity of materials, materials recovery facilities, or MRFs, must have more and increasingly sophisticated equipment. Today's MRFs do not just have magnets, eddy current separators and screens. They include optical sorters and robots. Modern MRFs are larger and service regions rather than single communities providing economies of scale needed to account for the more expensive equipment. They are also increasingly run by private sector companies that can adapt more quickly to the changing makeup of packaging.

These attributes make recycling in rural communities particularly challenging. MRFs are generally sited near population centers, sometimes great distances from geographically rural communities. Rather than curbside collection, rural residential recycling often consists of drop-off programs or private sector subscription programs with limited participation. Once recyclables are collected, transporting the material to processing facilities and ultimately to end markets represents another hurdle.

However, rural recycling can achieve success through the "hub and spoke" model, which creates consolidation hubs that service the spokes leading out to small communities. These recycling hubs, often referred to as transfer stations, are where smaller truckloads of materials can be consolidated into larger truckloads for their final transfer to processing facilities. Rural communities interested in adopting such a model would benefit from grants for transfer station infrastructure construction, recycling transfer tractors and trailers. Hub and spoke systems reduce transportation and provide much needed operational efficiency. It improves recycling access and lowers the overall costs for rural areas thereby making recycling much more viable for them.

Large, privately operated MRFs are more resilient to market downturns because of their close integration with materials buyers and other stakeholders. Their large size contributes to economies of scale that improve operational efficiencies. They have relationships with end markets and leverage due to the volume of materials that are managed. Privately-operated MRFs typically share revenues from the sale of the processed recyclables with the communities that bring the materials to them.

The private and public sector mutually benefit from a model where the public sector can efficiently collect materials from rural areas and transfer them to the privately operated MRFs for processing. NWRA wholeheartedly supports a program where rural communities can access the global recycling markets which is why we are pleased to support the Recycling Infrastructure and Accessibility Act.

Once again, thank you for holding this important hearing. We are available to assist the committee with our knowledge, research, and expertise.

Sincerely,



Darrell K. Smith, PhD
President and CEO
National Waste & Recycling Association

cc: Members of the House Energy and Commerce Subcommittee on Environment and Climate Change