





December 3, 2020

U.S. Environmental Protection Agency EPA Docket Center Docket ID No. EPA-HQ-OLEM-2020-0462 Mail Code 28221T 1200 Pennsylvania Avenue, NW Washington, DC 20460

To Whom It May Concern:

On behalf of the Rural County Representatives of California (RCRC)¹, the California State Association of Counties (CSAC)², and the League of California Cities (CalCities)³ we are writing to provide comments on the United States Environmental Protection Agency's (U.S. EPA) October 5, 2020 Draft National Recycling Strategy (Draft Strategy).

We appreciate U.S. EPA's interest in developing a National Recycling Strategy and believe that such an effort, if crafted appropriately, could have a transformative effect on local and state recycling efforts and significantly reduce solid waste management costs.

<u>Summary</u>

National efforts should focus first and foremost on increasing manufacturer engagement in designing readily recyclable products and using recycled materials in those products. While many of the options included in the Draft Strategy are helpful, they could be wasted efforts if it is too difficult to recycle materials or there is no end market for them.

Local governments and the solid waste industry have no control over which products will be introduced into the marketplace, for which they will ultimately be responsible for management and disposal. As such, it is vital for manufacturers to focus on designing products that are readily recyclable (not just theoretically recyclable) and for which there are end markets. Furthermore, homogenization of packaging materials could reduce contamination and make it much easier to manage and find markets for recyclables.

¹ RCRC is an association of thirty-seven rural California counties, and the RCRC Board of Directors is comprised of elected supervisors from those member counties.

² The California State Association of Counties (CSAC) is the voice of California's 58 counties at the state and federal level.

³ Established in 1898, the League of California Cities is a nonprofit statewide association that advocates for California cities with the state and federal governments and provides education and training services to elected and appointed city officials.

Given that the costs of solid waste management are borne by the residents and businesses in our communities, upfront manufacturer investments in improved product design could significantly reduce cost impacts for those groups.

Waste Management and Recycling in California

In California, local governments are the backbone of solid waste management and recycling efforts, with the State Legislature declaring that "solid waste management is a shared responsibility between the state and local governments." California local governments are also charged with diverting 50 percent of solid waste from landfill disposal through source reduction, recycling, and composting and are subject to significant financial penalties for failure to make progress toward those goals. A broader state goal seeks to source, reduce, recycle, or compost 75 percent of solid waste statewide.

To achieve these objectives, California has adopted a wide-ranging program that builds upon substantial private and ratepayer investments with:

- A statewide market development program⁷
- A sales and use tax exclusion for projects that utilize recycled feedstock
- Producer responsibility programs for the collection and recycling of paint, carpet, mattresses, mercury thermostats, pharmaceuticals and sharps, and pesticide containers
- A deposit program for beverage containers
- Minimum recycled content requirements for rigid plastic packaging⁸ and plastic beverage containers⁹

Despite these substantial financial investments and programmatic changes, there remains significant challenges to recycling, especially for plastics. The biggest challenge is often the lack of reliable end markets for those materials. In some respects, local plastic recycling is like sitting on a two-legged stool: we collect the material and sort it, but then there is often no place to send it for recycling.

<u>Comments on Draft National Recycling Strategy Objectives</u> Objective 1 – Reduce Contamination in the Recycling System

We agree that reducing contamination in the recycling stream can help produce higher quality feedstock for manufacturing and thereby improve the marketability of recovered

⁴ Public Resources Code Section 40001.

⁵ Public Resources Code Section 41780(a)(2).

⁶ Public Resources Code Section 41780.01.

⁷ Recycling Market Development Zone (RMDZ) Program, https://www.calrecycle.ca.gov/rmdz/.

⁸ Use of 25% minimum postconsumer content is an alternative to source reduction or utilization of reusable or refillable containers.

⁹ Public Resources Code Section 14547 – 15% minimum postconsumer recycled content requirement increases to 50% by January 1, 2030.

products. However, reducing contamination alone will not result in increased recycling without the development of markets for those materials.

The solid waste industry is generally good at "mining" the waste stream to find and extract materials of value when there are entities interested in purchasing those materials. On the other hand, it would be a waste of scarce ratepayer resources to produce cleaner recycled materials if there are no entities interested in using those materials at the end of the day.

The Draft Strategy offers two pathways for reducing contamination in the recycling stream: 1) Enhance education and outreach to consumers on the value of recycling and how to recycle properly; and, 2) Increase coordination, availability, and accessibility of information on recycling programs and policies. While helpful, these suggestions largely ignore the fact that contamination also occurs because of product design and is not simply a consumer-caused problem. Additionally, contamination-free recyclables do not guarantee reliable markets.

Consumer Education and Outreach

With respect to consumer education and outreach, the most important recommendation is improving consistency and reliability of labels for recyclable products. Consumers often believe that many types of trash are recyclable because products are labeled with recycling symbols, but the reality is that there is often no market for those materials and so they end up in the landfill or cost more to recycle than the commodity is worth.

New products are constantly introduced into the marketplace and marketed as being more environmentally friendly or recyclable when the new designs may actually pose even greater challenges because they contaminate the existing recycling stream or because there is no market for those materials at the end of their useful lives. Simply stamping "please recycle" on a product may mislead consumers into believing that a given product is recyclable when there is no market for it. We strongly urge federal coordination with manufacturers to ensure that recyclability and recycled content are incorporated into the product development process.

Given the incredible diversity among local solid waste collection and recycling programs, establishing consistent labels for recycling bins and trash cans is impractical and inappropriate at the federal level. While consumer education about the importance of recycling may lend itself to federal engagement, communication to consumers about the types of materials that are recyclable (and labeling of recycling bins and trash cans) should be done at the local level. There are a wide variety of jurisdictions with different solid waste management needs and capabilities. What may be easily recyclable in one jurisdiction may not be recyclable in another because there are no markets available for those materials.

Because these local challenges do not lend themselves to a rigid national solution, labeling requirements for recycling bins and trash cans should remain at the local level.

Education, outreach, and labeling can play a role in reducing contamination when trash is placed in the recycling bin; however, there are still many jurisdictions that use single-bin collection systems where materials recovery facilities remove recyclable products for which there are end markets. In those jurisdictions, it will be far less effective to focus resources on consumer education about what materials are recyclable.

Coordination of Information on Recycling Programs and Policies

While we appreciate U.S. EPA's suggestion that it could coordinate and share information on different state and local policies and best practices and create new workgroups and clearinghouses, these are likely to have only a minor impact on reducing contamination and improving efficiency of the solid waste management system. Furthermore, many of these tasks could be performed just as well by nonprofit organizations and public-private partnerships. We fear these efforts could divert federal attention from other activities that would have a more meaningful impact on increasing recyclability of materials and recycling overall.

Objective 2 – Increase Processing Efficiency

The Draft Strategy suggests that one of largest problems is that recycling infrastructure "has not kept pace with the rapidly changing recyclables stream." Unfortunately, this is an oversimplification that ignores the reality that it is often difficult to find markets for existing sorted materials, even without adding more material types that need separate collection and/or recycling technologies. Furthermore, the rapidly changing "recyclables" stream has been plagued by a lack of consideration as to whether the new products introduced into the marketplace are realistically recyclable and will find their ways into new products, or will simply become new contaminants in the system because there are no end markets for those materials.

While we acknowledge that additional investments and innovation could help improve the efficiency of materials separation and reduce contamination, those will be wasted efforts if there are no buyers for the separated material.

To increase processing efficiency, the Draft Strategy suggests several options, including:

1) Improve understanding of available recycling infrastructure and needs; 2) Increase awareness of available public and private funding and incentives; 3) Fund research and development; 4) Increase consideration of the sorting process in design of new products; and, 5) Develop national recycling system definitions, measures, targets, and performance indicators. While there may be merit to options 1, 2, and 5, we limit our comments to the most important and transformative options (3 and 4), below.

Increase Consideration of Sorting Process in Design of New Products

One of the two most important and transformative suggestions in the Draft Strategy is to push manufacturers to design for recyclability when developing new products. U.S. EPA is uniquely positioned to facilitate national and global cooperation among manufacturers in a way that individual states and local governments are not.

Unfortunately, the option (as drafted) is too narrow and should be broadened. The option only calls for considering how new products will be managed and sorted through the solid waste stream. This option should be refined to ensure that manufacturers' product design processes consider whether the products can be easily sorted *AND* whether they can be easily recycled into new products.

Oftentimes, new products incorporate design features, chemical compositions, or labels that make it difficult to recycle those materials into new products. Just some forethought in the product design process can significantly increase the likelihood that the product can and will be recycled and reduce the costs of recycling.

As previously noted, requiring product manufacturers to focus on designing products that are readily recyclable (not just theoretically recyclable) is one of the two lynchpins for increasing recycling. Increasing the recyclability of products will make them easier to manage and remove a significant barrier to market development.

Fund Research and Development

Next in importance, there is always room for investment in research and development of new technologies and processes that will assist in processing and recycling – especially for materials for which there are few, if any, marketable uses.

Objective 3 – Improve Markets

Improving markets for recyclable materials is the second of the two most important objectives in the Draft Strategy; however, this must be coupled with an effort to push manufacturers to design for recyclability when developing new products.

Recycling is not accomplished by the mere separation of potentially recyclable material. Instead, recycling is only achieved once that material is used in the production of new products. All other efforts to finance infrastructure improvements, enhance sorting, and reduce contamination will be for naught if there is no end market for the resulting materials. Federal involvement can be instrumental in the development of markets for recycled materials.

For many years, roughly one-third of the materials annually collected for recycling in California were exported overseas for processing and manufacturing into new products. In 2017, China accounted for 55 percent of the recyclable exports California shipped overseas. Declining international markets have significantly impacted on California's

solid waste and recycling systems. Products that Californians long assumed were easily recyclable now often have nowhere to go. Improving domestic markets will help create local jobs and reduce dependence upon foreign markets with less stringent environmental safeguards.

While the Draft Strategy outlines several options to improve markets, the most important and transformative are 3.4 (Increase manufacturing use of feedstocks) and 3.5 (Increase demand for recycled materials). Options 3.1-3.3 are helpful, but are much more passive in scope and will not result in the market transformation that is needed.

Increase Manufacturing Use of Regional

The Draft Strategy emphasizes that manufacturers may not be aware of recycled material feedstock in their areas or of the potential uses for those materials. It suggests working to ensure manufacturers can take advantage of supply that is generated in the regions where they are located.

In our experience, manufacturer awareness of the availability and suitability of local recycled feedstock is not as significant of a barrier as is the price differential between recycled and virgin feedstock – especially for plastic.

Rather than setting a narrow goal to increase <u>regional</u> utilization of recycled feedstock, we believe that many types of recyclable materials would benefit from increasing the use of recycled feedstocks in general, regardless of where they are generated. We note that transportation costs and challenges may make it difficult for manufacturers to source recycled feedstock from distant locations; however, all recycling operations would benefit from U.S. EPA's focus on increasing manufacturer use of recycled feedstocks.

<u>Increase Demand for Recycled Materials, Focusing on Materials with Less Mature</u> <u>Markets</u>

The key to any effort to increase recycling is to increase demand for recycled materials. We support developing strategies to address materials with less mature markets. There is a great need to find innovative ways to utilize less marketable recyclables. Finding innovative new uses for different segments of the waste stream will make it much easier for local governments and the solid waste industry to find entities interested in obtaining those items. Similarly, there is merit to identifying barriers to the increased use of recyclable materials and developing strategies to overcome those challenges.

At the same time, there should be recognition that it may be easier to redesign some products on the front end to eliminate the use of less-marketable commodities. Forethought in the product design process could save considerable costs for the end-of-life management of some materials. This advanced planning

could render unnecessary the extensive (and expensive) efforts that would be needed to increase recycling of less marketable materials.

To point out a single example of innovative recycling efforts, the California Department of Transportation (Caltrans) is exploring using recycled beverage containers to create a liquid plastic polymer binder for road paving projects. While Caltrans is currently using PET beverage containers, there will be an increased demand for those materials as California beverage container manufacturers must increase the recycled content of their products. It may be worth exploring whether other less marketable types of plastics could be used for similar purposes.

Conclusion

In conclusion, we appreciate your efforts to develop a National Recycling Strategy and the opportunity to provide comments on the October 5, 2020 draft. We urge U.S. EPA to focus on upstream efforts to improve manufacturer engagement, ensure that products that enter the marketplace are designed for recyclability, and create end markets for the use of recycled materials.

Sincerely,

John Kennedy Legislative Advocate

Rural County Representatives of

California

Catherine Freeman

Legislative Representative

California State Association of Counties

Derek Dolfie

Legislative Representative

League of California Cities