

**Written Testimony of Cody Marshall,
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On

“Federal Programs for the Circular Economy”

**Before the
Senate Committee on Environment and Public Works**

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Chairman Carper, Ranking Member Capito and Members of the Committee, thank you for your continued leadership advocating for and investing in the development of the circular economy across the United States. On behalf of The Recycling Partnership and our more than 100 partners, we appreciate your holding this hearing to evaluate how investments made by the federal government and private entities have catalyzed the circular economy.

At The Recycling Partnership (The Partnership), protecting our natural resources, building stronger communities, and honoring the commitment of everyone who wants to recycle is at the heart of everything we do. Our vision is a future where the burden of waste has been transformed into a beneficial resource. This vision can only be achieved when reduction, reuse, and recycling work together. Whether we are rolling out new recycling carts in Broken Arrow, Oklahoma, improving the quality of recyclables in Smyrna, Delaware, or investing in state-of-the-art processing technologies across the state of Michigan, The Partnership brings together people and resources toward a singular mission to build a better recycling system.

The Solid Waste Infrastructure for Recycling (SWIFR) Grant Program has and continues to support communities of all sizes across the nation. The Recycling and Composting Accountability Act and Recycling Infrastructure and Accessibility Act, passed by this Committee, will greatly increase access and transparency to recycling. Investments such as these enable The Partnership to deliver tangible impact for our communities by reducing litter and creating jobs. These investments also advance the circular economy by ensuring end markets are ready to accept quality recyclables, reducing the need for virgin materials.

My introduction to the recycling industry was as a college student in rural Ohio, driving a truck and collecting recyclables from campus. I made recycling my career 16 years ago in Orange County, North Carolina by taking on the challenge of managing their curbside and rural recycling drop off programs. It was there that I witnessed the profound impact recycling can have on communities. Drawing from my experiences in Orange County and consulting for various public sector entities, I recognized a pressing need for coordinated improvement within our recycling system. With that ambition in mind, I was part of the team that launched The Recycling Partnership with the dream of a system that builds positive results for people, the environment, and businesses.

Presently I serve as Chief System Optimization Officer where I oversee a portfolio of grantmaking to communities across the United States. Grants are more than just financial allocations; they are catalysts for change at the grassroots level. Through our experience, we've witnessed how funding for city and county programs can spark significant transformation within communities, boosting the circular economy. By placing emphasis on these grants, we give localities the means to deploy tested solutions and realize the positive potential of their programs.

Now in our 10th year, our collective efforts, many of which have been made possible through investments like those made by this Committee, have resulted in the capture of more than 1 billion pounds of new recyclables, avoiding over 1 million metric tons of greenhouse gas emissions. Our community cart grant program has provided 1.74 million recycling carts, making it possible for more Americans to have access to recycling in their home. Our free resident education and engagement resources have supported more than 3,500 recycling programs nationwide. Just last week we awarded our 100th recycling facility grant to RecyclingWorks in Elkhart, Indiana. With this grant they will advance their infrastructure so they can effectively sort and sell the material from packages like yogurt containers and butter tubs that their residents are now be able to recycle. This fall we are set to announce delivery of the 2 millionth recycling cart made possible by our grantmaking.

While we are inspired by this meaningful impact, we must commit to significant year-over-year investments in both infrastructure improvements and ongoing maintenance and operations. For decades, the burden of improving recycling infrastructure has landed squarely upon the shoulders of local governments and local taxpayers. According to our estimates, at least \$17 billion of capital investment is needed to strengthen and innovate the recycling system and more than \$17 billion a year is needed to fund the operating costs of the domestic recycling system. This can only be achieved through sensible public policies that will galvanize investment from the private sector, provide grants to communities, tribes, and local governments, incentivize use of domestic recycled content in domestic manufacturing, and kickstart the transition to a circular economy that is transparent and accountable in terms of environmental benefit and human health.

SWIFR Grants: A New Orleans Story

Local governments face tight budgets and are often forced to prioritize competing public services such as firefighters, water, and education over recycling systems. It is imperative that cities and counties possess the capacity and resources to pursue such federal support, and The Recycling Partnership is committed to aiding municipalities nationwide in this effort.

Today, our national recycling system continues to operate with insufficient funding, resulting in just 21% of recyclable material being captured and a staggering under-recycling of all materials. Our data shows that 76% of recyclables are lost at the household level, emphasizing the critical need to ensure all households have access to recycling services and are effectively educated and engaged on how to recycle locally.

Louisiana's experience mirrors that of the broader U.S. – a recycling landscape that holds vast potential, yet significant recyclable material remains uncollected and untapped due to underfunded community recycling initiatives.¹ Federal funding, notably the SWIFR program, plays a pivotal role in delivering critical resources to states like Louisiana to bridge this resource gap and demonstrate the potential of a more fully funded recycling system.

In late 2022, The Recycling Partnership provided the City of New Orleans a \$404,000 grant, aimed at revitalizing recycling services disrupted by the aftermath of Hurricane Ida in 2021. However, our initial grant was insufficient to meet the opportunity that exists in New Orleans. SWIFR funding is an instrumental funding apparatus that will continue to advance the city's waste diversion strategies. Together with city officials, we developed a SWIFR grant application for New Orleans, facilitating their preliminary award approval in September 2023.

The SWIFR grant is a public-private partnership exemplar. The City of New Orleans is finalizing a \$3.9 million contract for SWIFR funds and will receive complementary \$1.57 million funding provided by The Partnership. Together these funds will enable execution of a comprehensive 10-year waste diversion strategy, which will include phasing out the current opt-in program in favor of implementing a city-wide, equitable recycling initiative. Every single-family household will receive a recycling cart and comprehensive education, made possible through EPA support.

As a result of the SWIFR program, the City of New Orleans will serve as a model of how federal and private funding can drive transformative change at the community level by eliminating barriers to participation, serving as a replicable and scalable model for other communities across the United States.

While SWIFR funding is a critical first step to begin to address the challenges the system faces, more needs to be done to develop and sustain the local recycling economy. In the first round of SWIFR funding, 318 communities applied. EPA was able to fund 25 of those projects.

Why is Recycling Important?

Every year, over 46 million tons of recyclable packaging and paper materials pass through American households; yet, 79% of these valuable resources end up in landfills or incinerators. Those 46 million tons could be going into a strengthened recycling system and becoming the feedstock for domestic manufacturing, resulting in less energy use and an increase in natural resource protection.

¹ Louisiana residents generate roughly 681,000 tons of recyclables annually, representing a market value of roughly \$64.6 million. However, we estimate that a total of 626,000 tons of residential recyclables are currently being landfilled instead of recycled. Learn more in our [State of Louisiana Residential Recycling Access and Infrastructure Report](#).

State-by-State Residential Recyclable Material Lost (in Tons Per Year)

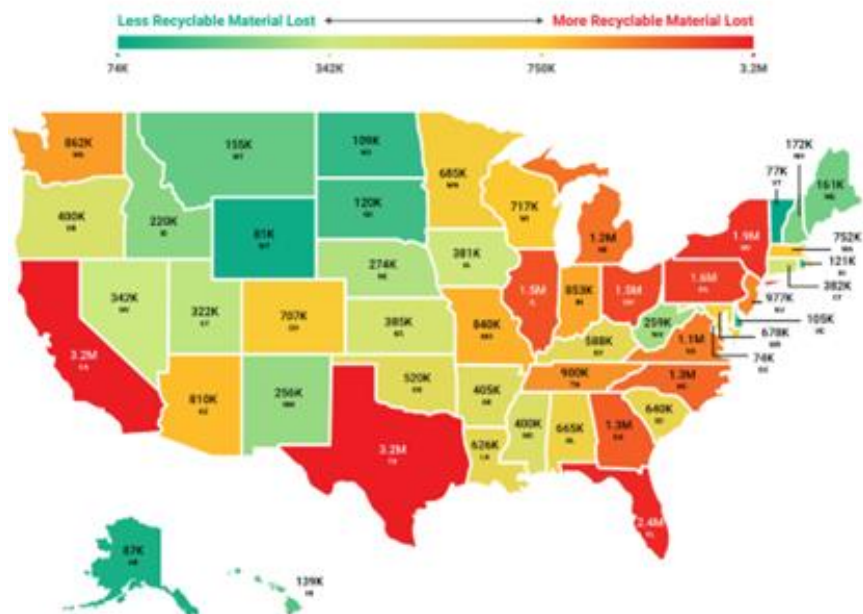


Figure 1. State-by-State Residential Recyclable Material Lost from the [State of Residential Recycling Report](#).

Still, the will of and commitment to recycling by the American people has never been stronger. Eight out of ten people in the United States believe in recycling's positive impact and want to be able to recycle more. That's why The Recycling Partnership is on a mission to build a better recycling system so that everyone who wants to recycle can recycle.

Recycling is an important part of the American economy, and integral to national efforts to keep waste and pollution out of natural environments. Recycling programs reduce the amount of material sent to landfills and incinerators, reducing the direct environmental burden of these practices. Use of recycled content in manufacturing products requires less energy overall thus having a myriad of benefits to the environment and towards domestic resiliency. Waste disposal sites are often sited in overburdened communities who face detrimental health impacts from pollution and emissions. Effective recycling systems offer a lifeline, diminishing the impact on these overburdened neighborhoods and safeguarding both human health and environmental well-being.

The growing American recycling economy is a smart investment in American jobs. In 2020, the EPA estimated that the recycling economy generated \$37.8 billion in wages. As investment into recycling infrastructure increases through existing Extended Producer Responsibility (EPR) policies and the Infrastructure Investment and Jobs Act, the recycling economy is expected to continue to grow. As recycling systems scale with SWIFR grants and other resources, there will be an increased supply of domestic recycled content for new goods and products, reducing our reliance on virgin materials.

It's time to recognize the vital role recycling plays in our communities' well-being and sustainably allocate necessary resources.

What Makes a Productive Recycling System?

When Americans think of recycling, they often think of it as a simple act they do when they've finished drinking a bottle of water or opened a can of soup. But recycling goes beyond the bin – involving many different stages and decision makers.

The fate of a material can be first determined before it ever leaves a manufacturer's doors – at the design stage. In addition to material producers, brands and retailers play a key role in designing packaging to be reused and recycled. These goods end up in the hands of everyday Americans, who may or may not put the items into a recycling bin. Materials are then typically collected by local government recycling programs and brought to a sortation facility where they are baled and shipped to paper mills, plastic re-processors, metal smelters, and glass furnaces to be converted into feedstock for manufacturing new products such as boxes, bottles, cans, and durable goods. This journey is part of the critical feedstock that feeds the American manufacturing industry. Each one of these stages is critical to ensure an uninterrupted, circular flow of materials in our economy and in the environment. For the United States residential recycling system to function effectively, five requirements must be met:

- **100% of packaging needs to be recyclable.** The packaging that enters the system must be recyclable; and we need clear, harmonized, and transparent standards as to what makes a package recyclable.
- **100% of households need access to recycling from their home.** Everyone can dispose of trash, but not every household has access to recycling. For those with access, some locations do not collect all packaging types thus limiting the amount of recyclable material collected.
- **Residents need to fully engage in recycling.** Recyclable material is lost because some households with access do not receive sufficient communication to help them use their recycling service and recycle all their recyclables. In an effective system at least 90% of households should participate.
- **Recycling facilities need to effectively process the material.** Once collected from households, recycling facilities need adequate technology and infrastructure to sort and process different material types.
- **Recycling facilities need sufficient and commercially viable regional markets.** After recycling facilities sort the various material types, they must be able to sell these recycled commodities. Sufficient end markets for these materials are key to an efficient recycling system.

This broader ambition for recycling illustrates the importance of each requirement to ensure our recycling system functions effectively for our communities. Federal funding, such as SWIFR and Recycling Education and Outreach (REO) grants, is a critical lifeline to local governments. SWIFR

has served as an important catalyst for additional private sector funding and provided immediate support to help communities realize the benefits of a productive system.

Community level investments solve a major gap for local governments, allowing them to upgrade local recycling programs. Grantmaking is a key interim strategy as we shift towards funding the system through private investment brought on by passage of EPR.

However, the SWIFR program and complementary funding provided by The Partnership cannot serve as the only source of revenue to address gaps. Smart policies such as EPR and other producer responsibility policies are required to stabilize and grow the domestic recycling economy, providing more robust funding through private sector investment and delivery of a commercially viable end market for recycled paper and packaging.

Recycling and Composting Accountability Act & Recycling Infrastructure and Accessibility Act

The Recycling and Composting Accountability Act (S.1194/HR 4040) and Recycling Infrastructure and Accessibility Act (S.1189/HR 6159) are two important pieces of legislation that would ensure that federal and private funding are used responsibly and effectively. The Recycling Partnership appreciates the dedication of this Committee to advancing both bills in a bipartisan manner and supports passage of both bills into law.

The Recycling and Composting Accountability Act (RCAA) would audit the nation's access to recycling and composting systems. By better understanding how and if communities can access these vital services, funding can be better targeted to communities in need. In our 2024 State of Recycling Report, while we find that 73% of households have access to recycling collection on par with their trash service, access varies greatly state by state and we continue to lose over 35 million tons of recyclables at the household level. The database and collection of best practices called for in the legislation could be used to help target resources where they're most needed.

The Recycling Infrastructure and Accessibility Act (RIAA) builds on the SWIFR grants and the work of The Partnership to bring needed infrastructure funding to rural and underserved communities. Access to recycling varies greatly across the United States and small and rural communities are often left behind. RIAA would help to fix this problem by offering funding for transfer stations, curbside collection and expanding the opportunity to establish public-private partnerships in communities. The RIAA would de-risk the investment needed in these communities and open new pathways for communities to participate in recycling.

Beyond the MRF

Funding that increases access to recycling and helps improve and modernize underperforming recycling infrastructure is critical to being able to deliver on the promise of the circular economy. However, we cannot overlook the importance of continuing to insist that producers design packaging for recyclability, and democratizing access to data on local recycling capabilities.

It is for these reasons that The Partnership has gone beyond the Materials Recovery Facility (MRF) by developing tools including the Circular Packaging Assessment Tool, a national database on the more than 9,000 recycling programs across the US, and Recycle Check that provides everyday people easy to access information on what can be recycled locally.

State and national policies will extend the work that programs such as SWIFR have begun. It is for this reason that The Partnership supports the implementation of state-level EPR policies and are public supporters of a national EPR policy framework. Together with voluntary investments such as those provided by The Partnership and through the SWIFR program, EPR policy will harness new investment from producer fees, catalyzing the change we need to deliver the recycling system Americans want and deserve.

Let's Get to Work

We appreciate Congress for funding the SWIFR grants and this Committee for working to ensure these grants are productive, funded and deployed. We encourage Congress to fully fund the program again in FY25 Appropriations and we look forward to working with the Environmental Protection Agency to implement these programs.