



Recycling and Waste Reduction

Minnesota's approach to managing waste focuses too narrowly on recycling, rather than on the full range of waste management activities.

Key Facts and Findings:

- Minnesota statutes establish a “waste management hierarchy,” which prioritizes waste reduction, reuse, and recycling above landfill disposal.
- By law, counties must ensure that residents have an opportunity to recycle. But programs vary across the state, ranging from curbside collection of a number of recyclable materials to drop-off sites for only a few types of materials.
- Counties rely on state and county money to fund recycling activities. State funding was stable at about \$14 million until the Legislature increased it to \$18.25 million for fiscal year 2015, and \$17.25 million for each year thereafter.
- According to Minnesota Pollution Control Agency (MPCA) data, Minnesota recycled almost 47 percent of the total solid waste generated in 2013, an increase from 41 percent in 2004.
- However, as a result of a flawed measurement system, the true percentage of waste that is recycled is unknown.
- Some waste management measures, such as the amount of waste disposed of in landfills, are more reliable than current recycling-rate calculations but do not provide detailed information about recycling in Minnesota.
- There is no oversight of state agency recycling efforts, and their recycling rates in 2012 ranged from 10 to 89 percent.

- MPCA devotes few resources to developing markets for recyclable materials.
- MPCA has not ensured that waste in the metropolitan area is “processed” (to recover recyclable material or incinerate it for energy) before being disposed of in a landfill.
- Landfill disposal—which is the least preferred waste management method—is often the cheapest waste-disposal option.

Key Recommendations:

- MPCA should continue its efforts to improve measurement of recycling outcomes.
- The Legislature should establish goals for all tiers of the waste management hierarchy, including landfill disposal, and require counties and MPCA to track progress toward these goals.
- The Legislature should identify MPCA as the agency responsible for overseeing state agency recycling activities.
- MPCA should consider increasing resources to develop markets that use recyclable materials.
- MPCA should ensure that, to the extent possible, waste is processed before it is disposed of in a landfill.
- The Legislature should consider incentives that encourage disposal methods consistent with the waste management hierarchy.

Report Summary

Minnesota law establishes a “waste management hierarchy,” which identifies a preferred order for waste management practices. Waste reduction and reuse are at the top of the hierarchy, followed by recycling, composting, and incineration with energy recovery; landfill disposal is at the bottom of the hierarchy.

Recycling in Minnesota is funded primarily by state and county sources. Counties spent more than \$63 million on recycling activities in 2013. State recycling money (called SCORE grants) accounts for about one-quarter of counties’ recycling funds. For fiscal years 2008 through 2014, the Legislature allocated approximately \$14 million annually for SCORE grants. The 2014 Legislature increased this amount to \$18.25 million for fiscal year 2015, and \$17.25 million for each year thereafter.

In 2014, the Legislature increased recycling goals for counties in the Twin Cities metropolitan area. By 2030, metropolitan counties are required to recycle 75 percent of total solid waste generated (as measured by weight); all other counties in the state are required to recycle 35 percent. The Legislature also increased recycling requirements for sports facilities and certain commercial buildings, and emphasized the collection of compostable material.

The Minnesota Pollution Control Agency (MPCA) is responsible for overseeing recycling and waste reduction in the state. Among other things, the agency must establish uniform methods to collect and report recycling and waste reduction data; it also distributes state recycling funding to counties and monitors their progress toward state recycling goals.

Recycling programs vary widely across the state.

In Minnesota, counties are primarily responsible for recycling activities. By

law, counties must ensure that residents have an opportunity to recycle. At a minimum, all counties must ensure that residents have access to a local recycling center that is open at least 12 hours each week, provides service every month, and accepts at least four broad types of recyclable material (such as paper, metal, plastic, or glass). Larger cities and most cities in the Twin Cities metropolitan area are required to ensure residents have access to monthly pickup (“curbside collection”) of at least four broad types of recyclable material.

In our survey of county solid waste officers, most respondents reported that at least some residents had curbside recycling collection. Many residents also have access to “single-sort” collection, which allows residents to place all types of recyclable material in one collection receptacle. However, recycling programs vary across the state, ranging from Winona County, which provides countywide curbside recycling collection (unusual for a rural county), to Red Lake County, which has no curbside recycling collection, to city-based curbside recycling programs in the Twin Cities metropolitan area.

Unlike residential recycling, counties are currently required only to *encourage* commercial entities to recycle; requirements for recycling in certain commercial buildings take effect in 2016. Commercial recycling accounted for almost three-quarters of all state recycling (by weight) in 2013.

Despite a reported recycling rate of 47 percent, measurement of Minnesota’s recycling performance is flawed and relies heavily on estimates.

Counties annually report detailed recycling information to MPCA. Based on these data, the agency calculated a statewide recycling rate of 47 percent for 2013. Reported county recycling rates varied significantly, from a high of

80 percent in Waseca County to a low of 9 percent in Mille Lacs County.

However, many of these recycling rates rely heavily on estimated data. In interviews, county staff routinely expressed a lack of confidence in their recycling data. Staff in some counties cited inaccurate residential recycling data. Staff in other counties described estimating commercial recycling data based on a study conducted in 1990, while some county staff said their data does not capture recycling for which businesses privately contract.

As a result of the flawed measurement system, the true percentage of waste that is recycled—and the extent to which counties meet the state’s recycling goals—is unknown. MPCA staff have acknowledged problems with the existing data and are in the process of implementing an improved data reporting system.

We encourage the agency to continue its efforts to improve the measurement of recycling outcomes. We also recommend that the Legislature establish goals for all tiers of the waste management hierarchy—including landfill disposal and incineration—and require counties and MPCA to track progress toward these goals. Measuring progress on all waste management activities, in addition to recycling, could provide more reliable information.

Many state agencies have low recycling rates, and there is no coordination or oversight of state agency recycling.

By law, each state agency is required to recycle at least 60 percent of the waste it generates; agency locations in the Twin Cities metropolitan area may be required to recycle at a higher rate, depending on county requirements. However, many state agencies did not meet this 60 percent threshold. State agency recycling rates varied significantly in

2012, ranging from less than 10 percent to almost 90 percent of waste generated.

In 2014, the Legislature removed several recycling responsibilities from the Department of Administration. As a result, each state agency (rather than the department) is now responsible for reporting its recycling rate to MPCA and informing its employees of “recycling opportunities and expectations.”¹

However, state agencies lack the expertise to fulfill these responsibilities, as the law now requires. In contrast, MPCA has recycling expertise but not the authority to take on responsibilities related to state agency recycling. We recommend the Legislature identify MPCA as the agency responsible for overseeing state agency recycling.

MPCA has not allocated sufficient resources to market development for recyclable materials, nor has it enforced statutory restrictions on waste disposal.

We heard about the importance of market development for recyclable material from all corners of the waste management industry. Staff from counties, cities, businesses, waste haulers, and others emphasized to us that having adequate outlets for recyclable material is key for the state to reach its recycling goals.

Despite its importance, MPCA has only one person working on market development for recyclable materials. In response to our survey of county solid waste officers, more than half of the respondents said that MPCA is “somewhat” or “very” ineffective at developing markets for recyclable materials. We recommend that MPCA consider increasing its resources dedicated to this function.

¹ *Laws of Minnesota* 2014, chapter 225, secs. 1-2.

MPCA has also not enforced state law that requires waste in the Twin Cities metropolitan area to be processed before being disposed of in a landfill. The restrictions on disposal first became law in 1985, but enforcement was not needed until 2008, when the system had excess processing capacity.

In 2012, MPCA published a report noting the increasing amounts of unprocessed waste being disposed of in landfills despite available processing capacity. In the report, MPCA outlined its strategy for enforcing the restrictions on disposal, which largely relies on increased reporting requirements and amending permits for landfills and waste processing facilities.

Waste Management, Inc., which owns three of the four landfills serving the metropolitan area, challenged MPCA's authority to implement its enforcement strategy and has repeatedly appealed decisions favoring MPCA. Now that the Minnesota Supreme Court denied Waste Management's appeal in October 2014, we recommend MPCA move ahead with its enforcement strategy.

Incentives for disposing of waste do not align with the state's waste management preferences.

Landfill disposal—which is the least-preferred activity identified in the state's

waste management hierarchy—is often the cheapest waste-disposal option. Tipping fees (fees to “tip” a truckload of waste to dispose of it) vary widely among waste disposal facilities. Nevertheless, landfill tipping fees are typically less expensive than those at waste processing facilities (such as incinerators), which are typically less expensive than those at recycling facilities. We recommend the Legislature consider adopting incentives that encourage the disposal of waste consistent with the waste management hierarchy.

There are many incentives the Legislature could adopt to promote waste reduction, reuse, and recycling. We reviewed recycling and waste reduction efforts in 17 states across the country and identified a variety of strategies Minnesota could consider. We do not recommend specific incentives but encourage the Legislature to explore a range of possibilities, including:

- Establish reuse program grants.
- Require proportional pricing for garbage disposal.
- Increase landfill disposal fees.
- Subsidize recycling fees.
- Extend producer responsibility to new products.
- Adopt a beverage container deposit.
- Extend waste bans to include additional items.

Summary of Agency Response

In a letter dated February 4, 2015, Minnesota Pollution Control Agency (MPCA) Commissioner John Linc Stine said “the report raises and discusses many of the important policy, financial and programmatic issues involved in advancing a successful integrated solid waste management system in Minnesota.” The commissioner noted agreement with many of the reports findings, including (1) measuring and establishing goals for all aspects of the solid waste hierarchy, (2) having incentives in place to ensure more waste is managed in accordance with the state’s solid waste management hierarchy, (3) devoting additional resources to advance recycling market development, and (4) ensuring compliance with Minnesota statutes regarding restrictions on disposal.

The commissioner identified a number of additional topics that, in MPCA’s opinion, would benefit from more detail, including system accountability, market development, and product stewardship. The commissioner commented that “this legislative session is an excellent opportunity for dialogue among the Legislature, public and private entities, and citizens about the resources needed to implement and build on the audit’s findings....”