

A photograph showing several workers in a recycling facility. They are wearing hard hats and safety vests, and are sorting through a large pile of paper and cardboard waste. The background is slightly blurred, focusing on the workers in the foreground.

HB22-1355 WILL INCREASE PAPER RECYCLING IN COLORADO

BETTER PAPER RECYCLING WILL REDUCE CLIMATE POLLUTION, SAVE MONEY FOR LOCAL GOVERNMENTS, AND STRENGTHEN LOCAL ECONOMIES.

EXECUTIVE SUMMARY

Colorado has a terrible recycling rate for paper materials, including cardboard, newspapers, magazines, junk mail, and printed paper. The state recycles only 27% of all printed paper and cardboard each year, and only 11% of printed paper, not including cardboard boxes. This is **less than half the national average** of 68%, and Colorado deserves better. This low recycling rate is also a lost economic opportunity. Colorado buries over **\$100 million worth of recyclable materials** in landfills each year that could have instead been sold for recycling and remanufactured into new materials to support a stronger supply chain and local economy.

Despite the fact that paper is highly recyclable, paper recycling rates, and those of other materials, are lagging in Colorado because the state lacks a convenient, equitable, and sustainable recycling system. Through a Producer Responsibility policy, Colorado can transform its current recycling system from a disjointed, confusing, and inconvenient patchwork of programs into a coordinated, equitable, and cost-effective statewide system. Increased recycling of paper and other materials will significantly reduce climate pollution, save money for local governments, create more resilient local supply chains, and reduce waste to landfills.

HOW PRODUCER RESPONSIBILITY WILL IMPROVE PAPER RECYCLING

Paper recycling in Colorado lags behind the rest of the nation because of limited curbside recycling services and recycling infrastructure in the state. Colorado's recycling system is inconvenient for many residents, leading to low participation rates. First, **only 39 Colorado cities and towns pair curbside recycling** with trash to make it convenient for all residents. Six out of the state's ten largest cities do not provide universal curbside recycling to all residents, showing this lack of access is both an urban issue and a rural issue. Second, recycling is inequitable throughout the state, both within and between urban and rural areas. **Only 30% of multifamily households have curbside recycling access nationwide, compared to 70% of single-family homes**, highlighting the significant disparity in services.

Convenient recycling systems where residents can recycle printed paper, plastics, aluminum, glass, and cardboard all in one place is key to increasing participation in recycling programs. This policy would provide all residents with effective recycling services that are as convenient as trash based on proven national best practices and at no charge to households. HB22-1355 would provide recycling to underserved rural Colorado and to multi-family residents who deserve the same quality of services as single-family homes.

Producer Responsibility programs have been proven to increase recycling. For example, in Ireland, after enacting a Producer Responsibility program, recycling rates for paper and packaging jumped from 19% in 2000 to 65% in 2017.

Over the same timeframe, rates in Spain increased from 40% to 68%, and in Italy from 38% to 67%, thanks to Producer Responsibility legislation. Nearly all participating EU countries have achieved recycling rates for paper and packaging of at least 60%, with many reaching 70% to 80%. In addition, these policies improve program performance and material quality. The British Columbia program for packaging and paper has achieved a **contamination rate of just 8%, while contamination rates in the US can be 25% or higher**. Lastly, there is no evidence that Producer Responsibility disrupts or damages existing paper recycling or other curbside recycling programs based on nearly three decades of experience.

ONLY 27% OF PAPER PRODUCTS ARE RECYCLED IN COLORADO

Colorado’s recycling rate for paper is **only 27%**. The rate is even worse when cardboard is excluded—**Colorado only recycles 11% of paper products, excluding cardboard**. This is why paper products, including magazines, newspapers, printed paper, and cardboard, are included in HB1355.

INDUSTRY LEADERS IN COLORADO AND U.S. SUPPORT PRODUCER RESPONSIBILITY

American Beverage Association, Ball Corporation, and New Belgium actively support HB1355. In addition, **over 100 global companies**, including Coca-Cola, Walmart, Nestlé, PepsiCo, Mars, and Unilever, have publicly stated that Producer Responsibility policies are a necessary part of the solution to increase recycling, reduce plastic pollution, and help strengthen local economies. Many of these companies have been active stakeholders in the process to develop Producer Responsibility legislation for Colorado.

According to a Denver Post op-ed from Ball Corporation and New Belgium, HB1355 “represents an important first step toward a better future for recycling in Colorado, and we strongly encourage the legislature to pass this bill. Passage is the right thing for our environment, for our economy, and for the citizens of our great state.”

PAPER MAKES UP 19% OF WHAT COLORADO SENDS TO LANDFILLS EACH YEAR

Paper is over **19% of the waste sent to landfills in Colorado**. Colorado landfilled over 1.1 million tons of cardboard and paper in 2020 – nearly three times more than it recycled.*

| | Recycling Rate | Tons Recycled | Tons Landfilled |
|---------------------------|----------------|---------------|-----------------|
| Paper (without cardboard) | 11% | 92,000 | 750,000 |
| Cardboard | 45% | 320,000 | 380,000 |
| All paper & cardboard | 27% | 410,000 | 1,100,000 |

PAPER RECYCLING IS COSTLY FOR COMMUNITIES AND LOCAL GOVERNMENTS STRONGLY SUPPORT HB1355

Paper recycling programs have seen widespread volatility in recent years after China banned the import of recycled paper. For example, residential paper prices **dropped from over \$100/ton in 2017 to just \$18/ton in 2019**. These wild price fluctuations in the value of recycled paper **caused many communities to stop recycling paper** and also forced many communities, **such as Durango**, to charge residents more for recycling.

* Calculations based on CDPHE. “2020 recycling totals.” (2021) www.colorado.gov/pacific/cdphe/coloradorecycling-totals. & CDPHE. “Waste Composition of Municipal Solid Waste Disposal.” (2016) <https://cdphe.colorado.gov/swreports>. Accessed 4/6/22.

Local governments and their residents want better recycling, but Colorado municipalities and counties largely do not have the funding or technical expertise to support recycling programs. Their limited funding is also needed for public safety, roads, parks and other government services. This policy shifts the burden off of municipalities and counties to the companies that sell these products. HB1355 will save local governments tens to hundreds of thousands of dollars per year while expanding convenient access to recycling and ensuring an adequate, dedicated source of funding to support recycling in Colorado for many decades. [That is why more than 20 local governments testified in support of HB22-1355](#) during the first committee, and the bill is also supported by Colorado Municipal League (CML), Colorado Communities for Climate Action (CC4CA), and the Metro Mayors Caucus.

PRODUCER RESPONSIBILITY WILL DRIVE INVESTMENT IN ALL PARTS OF PAPER RECYCLING

Over the last few years, the paper industry has made notable manufacturing industry investments to recycle more paper in the U.S. However, investments in manufacturing only address one component of the entire system needed to improve paper recycling. Under HB1355, the Producer Responsibility program will drive investments in Colorado in all areas of paper recycling, including carts and trucks to collect paper from households, expanded drop-off centers for rural areas, recycling processing facilities to sort and market the paper, and end markets to remanufacture recycled paper into new products. In addition, most of the investments made by the paper industry in recent years are in direct response to the ban on exporting paper for recycling to China. This new domestic capacity is not adding significant new global capacity for recycling paper; it is only replacing what was lost in Chinese markets. None of these investments has been in Colorado.

MOST NORTH AMERICAN PRODUCER RESPONSIBILITY PROGRAMS FOR PACKAGING INCLUDE PAPER PRODUCTS

All [five Canadian programs](#) and [Oregon's](#) approved Producer Responsibility program include paper products in their policies, and many offer a similar in-kind payment option as Colorado. In addition, three of the five Producer Responsibility bills heard in committee in 2022 include paper in their covered materials. Further, [HB22-1355](#) provides the opportunity for newspaper, magazine, and periodicals publishers to provide in-kind advertising, either in print or online, to offset membership dues to the Producer Responsibility Organization.

| ADOPTED PROGRAMS | INCLUDES PAPER | OFFERS IN-KIND PAYMENT |
|-----------------------------|----------------|------------------------|
| Ontario | Y | Y (newspapers) |
| Quebec | Y | Y (run their own PRO) |
| British Columbia | Y | N |
| Manitoba | Y | N |
| Saskatchewan | Y | N |
| Oregon | Y | Y |
| Maine | N | |
| PROPOSED BILLS** | | |
| Colorado | Y | Y |
| Connecticut | Y | N |
| Washington | Y | Y |
| Maryland | N | |
| New York | N | |

** Bills that have been heard in committee in 2022.

PRODUCER RESPONSIBILITY WILL IMPROVE RECYCLING WITHOUT INCREASING COSTS FOR CONSUMERS

Producer Responsibility programs are in place in 40 countries and provinces, and some have been around for nearly three decades. There is no evidence to show that Producer Responsibility programs lead to an increase in consumer prices **based on similar programs** throughout Canada and Europe. Since the cost to companies required to participate typically works out to be fractions of a penny per container, Producer Responsibility programs do not directly cause increased prices for consumers. In addition, many households will save money by no longer having to pay for recycling collection services. Many local governments in Colorado will also individually save tens to hundreds of thousands of dollars annually, and more in many cases, by no longer paying for curbside or drop-off recycling programs.

CONCLUSION

HB1355 will make it easy for all Coloradans to recycle more paper, cardboard, plastics, aluminum cans, and glass bottles. It will also help businesses by creating a more resilient domestic supply of recycled materials to make new products. This will rapidly improve Colorado's recycling rate and result in fewer greenhouse gas emissions, cleaner air and water, less waste sent to landfills, and stronger local economies.



Learn how HB22-1355 will create a better recycling system to divert all packaging materials back into the supply chain and benefit Colorado municipalities and residents at recyclingforallcoloradans.org.

