

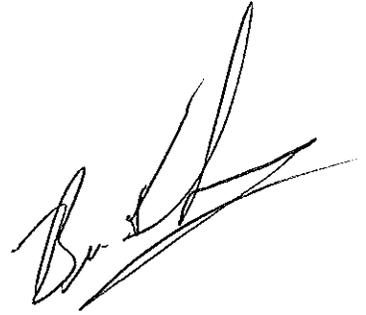
MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY

INTEROFFICE COMMUNICATION

TO: Dan Wyant, Director

FROM: Bryce Feighner, P.E., Chief  
Office of Waste Management and Radiological Protection

DATE: September 17, 2015



SUBJECT: Briefing Regarding Governor Snyder's Residential Recycling Plan

In April 2014, Governor Rick Snyder announced his Residential Recycling Plan of Action (Plan) and set the ambitious goal of doubling our state's residential recycling rate. Beginning October 1, 2015, funding in the amount of one million dollars per year was appropriated to the Department of Environmental Quality (DEQ) to implement this Plan. The purpose of this briefing is to provide the status of implementing the Governor's Plan. It is organized around the fifteen (15) primary action items in the Plan.

**1) Establish Governor's Recycling Council**

The Governor's Recycling Council (GRC) has been established and consists of nine (9) members appointed for 2-year terms. The purpose of the GRC is to advise the DEQ on implementing the Governor's Plan and other related issues so that the state will achieve a 30 percent residential recycling rate. The GRC first met on May 20, 2014, in Lansing, and has subsequently met every two (2) months in various locations around the state. The GRC held a public meeting on January 14, 2015, in Lansing. Two important policy statements developed by the GRC include:

- a. **Measurement** - The GRC advises the Governor and DEQ Director that legislative action is needed that requires reporting by entities that receive, process or market recyclable materials from residential and commercial sources.
- b. **Access** - The GRC advises the Governor and DEQ Director that legislative action is needed that requires, by state statute, solid waste haulers to provide residential recycling collection services if they provide residential trash collection services within certain urban boundaries.

**2) Share best practices**

As part of the GRC activities, a "best practices for recycling" framework has been developed to focus on those key program components that will actually double Michigan's current recycling rate. Work continues to identify gaps between current practice and best practice in Michigan's recycling infrastructure to help focus

Michigan's resources on these gaps to achieve success. Working with the DEQ staff, the case studies for the "Excellence in Recycling Awards" described below focus on sharing best practices across the state and are on the DEQ Web site. Further, our four (4) DEQ Recycling and Waste Minimization Specialists routinely share best practices as they meet with recyclers and community groups.

**3) Have a state government that leads by example**

The DEQ is working with DTMB and the Good Government Team regarding ways the state can better "lead by example". The DTMB is in the process of issuing a Request for Proposal (RFP) for recycling service providers to collect and manage the recycling at state office buildings. Additionally, the state leases will now request information from the bidders regarding the availability of recycling services at the property and whether they are included in the bid. Other efforts include work to expand recycling opportunities at state parks and rest areas. An RFP is being developed to purchase recycling bins for rest areas. A Quality of Life (QOL) Leadership Academy Action Learning Team is being formed to support the implementation of recycling at state parks. The DEQ has reached out to the Michigan Department of Transportation regarding opportunities for using hard to recycle products such as glass and scrap tires in road building projects.

**4) Coordinate recycling market development activity**

Our new Recycling Market Development Specialist has been working to grow markets for difficult to recycle recycled commodities and ensure existing Michigan businesses are able to secure high-volume, clean, recycled commodities for their manufacturing processes. Work is focusing on the following areas:

- a. Commodity Specific End-use Market Development
- b. Sector Specific End-use Market Development
- c. Organics
- d. Recycled Materials Market Directory
- e. Inventory Existing End-use Markets
- f. Quantify existing and potential economic impact of the recycling supply chain
- g. Recycling Collection and Processing Capacity

The DEQ issued an RFP on July 7, 2015, to seek a vendor to collect comprehensive end-use and supply chain data as well as expand the Market Directory. Among other items, the contract will result in:

- a. The development of an analysis and list of end-use markets utilizing recycled material collected from Michigan through residential recycling programs, commercial recycling, and industrial recycling systems.
- b. An economic analysis of the impacts of recycling on Michigan's economy.
- c. Management and maintenance of the Michigan Recycled Materials Market Directory.

- d. A market survey that will gather information, including but not limited to, capacity, throughput, types and amounts of input (by specification) and outputs (by product type), types of customers, actual and perceived market drivers, barriers, and opportunities for market expansion for a specific commodity including one or more of the following commodities, including but not limited to, tires, paper, metal, glass, plastic, or organics.

The DEQ is organizing an Agricultural Plastic Market Development Symposium for late fall 2015.

**5) Governor's summit on recycling**

The Governor's Recycling Summit was held on May 5, 2015, in Kalamazoo in conjunction with the Michigan Recycling Coalition's annual conference. The Summit was successful in attracting over 500 attendees including many key state and local leaders. Another Governor's Recycling Summit is planned for 2016.

**6) Collect recycling data using a Web-based system and establish a recycling reporting requirement**

"ReTRAC" is the Web-based system selected by the DEQ and certain aspects are already operational. The reporting system will be refined further when measurement legislation is complete.

In association with the "ReTRAC" reporting system, consumers can find recyclable material drop-off and recycling opportunities using the on-line Michigan Recycling Directory. The directory is searchable by zip code and will support communities, companies and non-profits in their efforts to promote recycling opportunities in across the state.

The DEQ has been working with interested parties to develop draft recycling measurement and reporting legislation. Those interested parties included the Michigan Waste and Recycling Association, the Michigan Chapter of the Institute of Scrap Recycling Industries, the Governor's Recycling Council and numerous recycling material recovery facilities. We have agreement with those interested parties regarding the draft legislation and expect it will be introduced this fall.

**7) Recognize high performing programs and facilitate information sharing**

"Excellence in Recycling Awards" were presented at the Governor's Recycling Summit on May 5, 2015, in the following categories: Recycling Rate/Measurement; Increasing Access; Outreach and Education; Recycling Leadership; and Closing the Loop. There were 121 nominations and 28 awards and special recognitions granted. Additionally, those participating in ReTRAC (37) and all nominees meeting at least a 30 percent recycling rate (50) were recognized. For purposes of information sharing, the DEQ highlights the programs of the Awardees and their best practices in recycling on the DEQ's recycling Web page.

**8) Provide recycling technical assistance**

We created four (4) new Recycling and Waste Minimization Specialist positions in the regions that are being utilized to provide on-site and one-on-one technical assistance. These specialist have met collectively with over 200 unique groups and informed them of the importance of recycling, the Governor's Plan, and funding opportunities for projects that will increase recycling. Their activities have resulted in an increased number of recycling grant applicants as well as new and improved recycling programs.

We conducted a Recycling Webinar on June 11, 2015, to discuss the report *Measuring Recycling in the State of Michigan*. This Webinar had 232 attendees.

**9) Create a statewide education campaign**

The DEQ is moving forward with using the "Recycle, Michigan" signs and branding for state park and rest area recycling and will be exploring ways to incorporate the logo and brand into DEQ outreach efforts. We are funding through grants local education and outreach campaigns. A Web site has been created ([www.michigan.gov/mirecycles](http://www.michigan.gov/mirecycles)) that contains information on all DEQ recycling activities.

**10) Encourage regional collaboration**

In collaboration with Michigan Townships Association, Michigan Municipal League, Michigan Association of Counties, Michigan Recycling Coalition, and the Michigan Waste and Recycling Association, the DEQ is conducting regional recycling meetings and discussions throughout the state. The DEQ is also scheduling meetings with the regional organizations who are members of the Michigan Association of Regions. These meetings provide the opportunity to identify regional recycling issues, to encourage collaboration on achieving the goals of the Governor's Plan, and to discuss the Recycle by Design challenge.

**11) Establish incentive grants to local-units that increase access and participation**

A number of different grants have been utilized to further the cause of the Plan.

- a. **Community Pollution Prevention (P2) Grants fiscal year (FY) 2014** – Three separate grants for FY2014 were awarded for a total of \$250,000 to collect data on Michigan's recycling rate, percentage of population with convenient access to recycling, high performing recycling programs, composition of municipal solid waste currently landfilled and incinerated, and the economic value of this material. This data will assist local recycling programs identify best practices and aid the state in benchmarking progress regarding the metrics on the DEQ Scorecard.

- b. **Community P2 Grants FY2015** – The DEQ received a total of 64 grant applications in FY 2015 for a total of \$3.9 million. The DEQ awarded a total of \$635,500 to 14 organizations for projects that will enhance local or regional recycling programs and lead to increases in the statewide recycling rate. These projects are focused on infrastructure development, program start-up, program enhancement, and education and outreach.
  - c. **Sustainability Grants FY2016** – In an effort to coordinate all recycling related grant opportunities, the DEQ is forming an umbrella outreach and notification campaign for 2016 grant opportunities. The grants currently under the sustainability umbrella are the Scrap Tire Grants, the Community P2 Grant, and a newly developed Residential Recycling Grant.
    1. **Scrap Tire Grants** – These grants will continue to focus on cleaning up scrap tire piles and developing markets.
    2. **Community P2 Grants** – These grants will focus on food waste, which was identified in the FY2014 P2 Grant study as an area with great opportunities to increase the recycling rate.
    3. **Residential Recycling Grant** – These grants will provide funding for municipalities to purchase recycling carts, an activity that has been proven to increase recycling rates in numerous communities.
- 12) **Encourage use of tax exempt private activity bonds for development of waste utilization infrastructure**  
Working with the Michigan Economic Development Corporation staff, we have identified existing business development tools and created a description of the tax-exempt private activity bonds for use by recycling businesses.
- 13) **Establish an expanded Recycled Materials Market Directory**  
As part of the “ReTRAC” reporting system described above, recyclers will be able to enter their collection opportunities and locations.
- 14) **Ensure the county solid waste management planning process supports, and does not impede, waste utilization and recycling**  
The DEQ created a Solid Waste and Sustainability Advisory Panel that is addressing planning and other solid waste issues, including recycling, in a holistic way. This panel is comprised of representatives from state and local government and industry.
- 15) **Identify options to expand access to recycling opportunities**  
The FY2014 Community Pollution Prevention Grant funded a study to estimate the state’s current residential recycling rate and identify opportunities to increase recycling. The residential recycling rate was estimated to be 15 percent based on

FY2013 survey reports. The largest opportunity to increase the rate is in the area of organics, particularly, food waste. In response to this opportunity, the FY2016 Community Pollution Prevention Grant plans to solicit proposals to address recycling and waste minimization issues associated with food waste.

*Recycle by Design* is an innovative market development program aimed at achieving Governor Snyder's ambitious goal of doubling Michigan's residential recycling rate. The program is modeled after the *Rebuild by Design* program which was used successfully on the East Coast to rebuild after Hurricane Sandy. *Recycle by Design* will incentivize and accelerate implementation of strategies to increase recycling in Michigan. Local, regional, and state level teams comprised of private and public sector partners will be supported in advancing leading-edge ideas that contribute to a more robust and resilient recycling infrastructure; bolstering local economies and ensuring valuable recaptured commodities find their way into new products. The *Recycle by Design* challenge will be kicked off November 2, 2015, and we are requesting the Governor's assistance in this important effort.

Attachments