

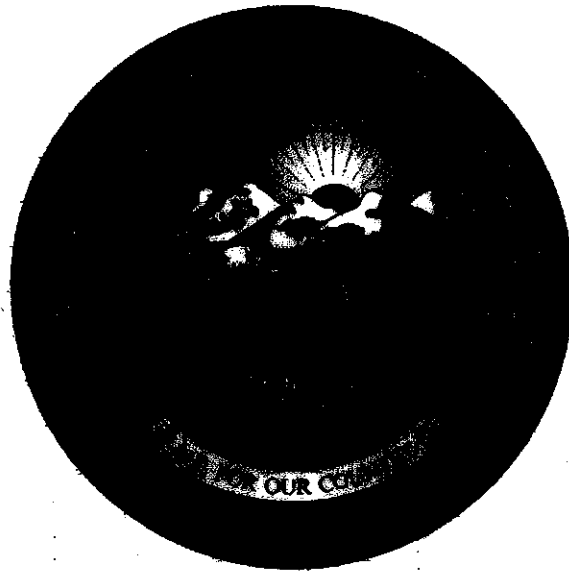
## DISCLAIMER

Electronic versions of the exhibits in these minutes may not be complete.

This information is supplied as an informational service only and should not be relied upon as an official record.

Original exhibits are on file at the Legislative Counsel Bureau Research Library in Carson City.

Contact the Library at (775) 684-6827 or [library@lcb.state.nv.us](mailto:library@lcb.state.nv.us).



# 2003 RECYCLING STATUS AND MARKET DEVELOPMENT REPORT



**Nevada Recycles**  
Nevada Division of Environmental Protection

**NEVADA DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES  
DIVISION OF ENVIRONMENTAL PROTECTION  
BUREAU OF WASTE MANAGEMENT**

*m*

Original Exhibit on file at the Legislative  
Council Bureau Research Library

ASSEMBLY NATURAL RES., AGRICULTURE & MINING  
DATE: 3/31/03 ROOM: 3161 EXHIBIT M1-11  
SUBMITTED BY: Dave Emme

## Table of Contents

Executive Summary .....	1
1.0 Recycling Legislation .....	2
1.1 Reporting Mandates .....	2
1.2 Legislative Initiatives .....	3
1.2.1. Fee on Solid Waste .....	3
1.2.2. Modification of Reporting Requirements .....	4
1.2.3. Establish Solid Waste and Recycling Grants .....	5
1.2.4. Other Legislative Initiatives .....	5
1.3 Regulatory Summary .....	6
1.3.1. State Regulation Summary .....	6
1.3.2. Municipal Regulation Summary .....	6
1.4 Recycling Legislation Overview and Summary .....	7
2.0 Status of Recycling in Nevada .....	9
2.1 Solid Waste Disposal Trends .....	9
2.2 Recycling Rate and Trends .....	10
3.0 NDEP Recycling Contracts Program .....	12
3.1 Funding .....	12
3.2 Recycling Contract Administration .....	13
3.3 Clark County Contracts and Initiatives .....	15
3.3.1. Recycling Logo Development and Advertising * Campaign Contract .....	15
3.3.2. Clark County Recycling Forum .....	16
3.3.3. USEPA Region 9 Initiatives .....	18
4.0 Market Development Report .....	19
4.1 Introduction .....	19
4.2 Repeal of NRS 444.587 .....	19
4.3 Recycled-Content Product Procurement .....	21
4.4 New Business Development .....	23
4.5 Market Development Summary .....	25

## List of Tables

Table 2-1 Nevada Solid Waste Disposal .....	9
Table 2-2 Clark County Waste Disposal vs. Visitor & Population Trends .....	10
Table 2-3 Nevada Recycling Rates .....	12
Table 3-1 Solid Waste Management Account Summary .....	13
Table 3-2 Recent Recycling Contract Funding .....	14
Table 3-3 Recycling Contract Distribution SFY 2000-2002 by Entity .....	14
Table 3-4 Recycling Contract Distribution SFY 2000-2002 by Region .....	14
Table 3-5 Las Vegas Valley Calls to the Recycling Hotline .....	16
Table 4-1 Copy Paper Orders Through Nevada State Purchasing Warehouse .....	22

## Appendices

Appendix A.....	Assembly Bill 447
Appendix B.....	Public Building Recycling Regulations Adopted September 18, 2001
Appendix C.....	Public Buildings Recycling Programs Model Plan
Appendix D.....	SFY 2000-2002 Recycling Contracts Summary
Appendix E.....	Clark County Recycling Forum Agenda & Discussion Summary
Appendix F.....	Tellus Institute Report "Assessing the Potential for Resource Management in Clark County"

## **Executive Summary**

Nevada has struggled to achieve consistent performance in waste reduction since recycling goals were adopted in 1991. Although statutory requirements have largely been met, some recycling program components need strengthening in order to reach the desired goal of recycling at least 25% of Nevada's solid waste. Carson City, Douglas County, and Washoe County have all made significant progress toward or meeting the goal. Unfortunately, Clark County has not been able to realize substantial gains in recycling since implementing statutory curbside programs more than ten years ago. In no small part, this is due to the explosive population growth that has strained many of Clark County's resources. As residential development has expanded across the entire Las Vegas Valley, having only two municipally-supported drop-off locations for recycling has become increasingly inconvenient and discouraging for many who would like to recycle.

Nevada Division of Environmental Protection (NDEP) is proposing statutory change in Assembly Bill 447 (AB 447) that will address several of the issues that are restraining recycling's growth. Availability of recycling to the large number of urban Nevadans who live in apartment houses and mobile homes and creating local sources of technical and promotional assistance are two major concerns addressed in this bill. This report provides background and discussion of the main issues Nevada recycling efforts encountered and addressed since the 2001 biennial report and also makes recommendations summarized below that will help to grow and maintain recycling in the state.

NDEP is proposing the following changes to recycling laws in AB 447:

- Change the funding mechanism of the solid waste management account by repealing the \$1 tire tax on the retail sale of new vehicle tires and instituting a \$0.30/ton tax on all waste disposed at permitted landfills that accept 20 tons of waste/day or more;
- Change reporting requirements of recycling to move responsibility for collecting annual recycling reports from the counties to NDEP and implement a minor civil penalty to improve reporting participation;
- Give NDEP the authority to award grants to municipalities, educational institutions, or nonprofit organizations for projects that enhance solid waste management systems and promote the efficient use of resources;
- Require counties with populations greater than 100,000 to provide recycling collection at multifamily dwellings where services for the collection of solid waste are provided;
- Require counties with populations greater than 100,000 to provide waste reduction and recycling service information to businesses at the time of business license application or upon the businesses request;
- Creation of a recycling coordinator position at the county-level in counties required to adopt recycling programs and the opportunity to receive financial assistance from NDEP to fund the position;

- Require local ordinances be adopted in jurisdictions required to adopt recycling programs that provide for the storage of recyclable materials in new building permit applications for commercial office buildings larger than 50,000 square feet and in multifamily residential complexes with 20 or more units;
- Modify recycling program reviews at the municipal level by increasing review frequency from once every 36 months to once every 24 months and adding NDEP approval to the review process;
- Require NDEP to develop and implement a recognition program to identify outstanding examples of resource conservation, waste reduction, and recycling in Nevada.

NDEP continues an extensive program to educate, promote, and encourage solid waste reduction and recycling in the state through the recycling contracts program. In the three year period from State Fiscal Year (SFY) 2000-2002, NDEP has funded 23 public agencies and nonprofit groups from across the state with over \$500,000 of NDEP's allocation from the solid waste management account. Additionally, USEPA Region 9 committed over \$100,000 to recycling projects in Clark County over the last two years.

Developing markets for recyclable materials in Nevada remains a challenge. NDEP is recommending the repeal of NRS 444.587 that delegates NDEP as the agency for developing markets and reporting to the legislature on accomplishments and issues regarding recycling market development.

The state recycling program remains committed to help develop and maintain the economic strength of recycling in Nevada. NDEP makes two recommendations in this market development report. Years of focus on attracting businesses that use post-consumer feedstocks in their manufacturing process have yielded modest results. Efforts to improve the economic viability of recycling in Nevada might best be invested in processing operations. The rapidly growing population and diversification of Nevada's economy make the collection and recycling of materials from the commercial sector increasingly attractive.

NDEP also believes renewed emphasis on environmentally-preferable procurement and recycled-content products is necessary at the state and local public agency level to encourage markets for recyclables. A conscious decision to support sustainable and efficient products and goods needs to be made by all government branches.

## **1.0 Recycling Legislation**

### **1.1 Reporting Mandates**

This document fulfills two reporting requirements of NDEP to the Nevada Legislature. NRS 444A.070 requires the director of the Department of Conservation and Natural Resources to deliver a biennial report delivered every odd-numbered year on the status of

current and proposed programs for recycling and reuse of materials and on any other matter relating to recycling and reuse which he deems appropriate.

NRS 444.587 requires the NDEP to deliver an annual report which includes a general description of the markets for recycled materials in Nevada, any recommendations relating to increasing the demand for recycled materials and developing markets for recycled materials, the development of state and local policies which encourage the purchasing of products manufactured from recycled materials, and financial assistance and incentives to encourage the use of recycled materials in this state.

## 1.2 Legislative Initiatives

NDEP has identified several areas of concern regarding current solid waste and recycling statutes and regulations and has proposed amendments in the 2003 legislative session to address these concerns. Assembly Bill 447 (AB 447) proposes changes to NRS Chapter 444 solid waste statutes and NRS Chapter 444A recycling statutes. A copy of the proposed legislation is included in this report as Appendix A. As the proposed amendments address a range of concerns, the circumstances leading to NDEP's identification of the concerns also vary widely. Some of the proposed changes are minor and relate to modifying language to eliminate outdated references in the statutes. Some proposed amendments are substantial and are discussed below and elsewhere in this report.

### 1.2.1. Fee on Solid Waste

As mentioned above, funding for the oversight and regulation of solid waste and recycling in the state comes almost wholly from the \$1 retail tire tax. The US Environmental Protection Agency (USEPA) estimates that only 2% of the municipal solid waste generated in the US in 2000 was used vehicle tires. Placing a fee on 2% of the waste stream to fund nearly 100% of regulatory programs to manage the waste is an inequity that needs correction. Furthermore, it appears inconsistent with the original intent of the tire fee, which was to manage and recycle waste vehicle tires.

NDEP's proposal is revenue neutral by rescinding the \$1 tire fee and replacing it with a \$0.30/ton fee on solid waste disposed in a facility that receives 20 tons or more of solid waste per day. This funding mechanism is preferable for several reasons. It addresses an NDEP concern regarding the growing amount of out-of-state waste being disposed in Nevada-permitted waste sites. Since 1998 the quantity of solid waste imports disposed in Nevada has grown by approximately 130% from 232,000 tons/year to 536,000 tons/year in 2002. In 2002 out-of-state waste imports represented approximately 10% of waste disposed in Nevada landfills. Due to the current funding mechanism, Nevada tire purchasers had to fund the regulatory management of this waste.

A fee on the quantity of waste disposed also serves as an incentive to manage solid waste in an alternate manner, such as reuse and recycling. Encouraging resource conservation

through reuse and recycling has long been a stated goal of Nevada solid waste and recycling laws. The arid climate and open space in Nevada ultimately leads to less expensive tipping fees at the landfills, some of the lowest tipping fees in the nation. This low cost represents a significant barrier to recycling. While the \$0.30/ton fee will have a negligible effect on Nevada rate payers, it will generate a significant source of revenue that will grow as waste disposal grows.

### 1.2.2. Modification of Reporting Requirements

One proposed amendment in AB 447 includes modification of the reporting requirements currently contained in NRS 444A.050 and in regulations NAC 444A.135 and NAC 444A.140. In order to adequately monitor and regulate solid waste, it is necessary for the solid waste management authority to have access to current and accurate data regarding the quantities of waste disposed and recycled in the state. The regulatory summary in this report includes discussion of recent recycling center regulations promulgated by the Clark County Board of Health. These regulations were largely unpopular with Clark County recycling businesses and most did not report recycling data for 2001 to CCHD. Therefore, NDEP found it impossible to provide an accurate state recycling rate in 2001. NDEP believes it would be best to remove the local regulatory agency from the reporting chain for the following reasons.

Under the present system, waste disposal reporting to NDEP is required as part of disposal facility regulations for all permitted waste disposal sites and this system is largely satisfactory. No revision to disposal site waste reporting requirements is being proposed at this time. However, collecting data on recycling, as required by NAC 444A.135 and NAC 444A.140, has long been problematic. Current regulations require the municipalities to collect reports from recycling centers within their jurisdictions, verify and compile the data from individual recycling centers into municipal totals, and forward the reports of total quantities of materials recycled to NDEP for further verification and compilation into a statewide report.

Delegating most of the work in collecting the recycling data to the municipalities has proven difficult and burdensome to these entities. Most of the counties mandated to report have complied, but several have not due to manpower and resource considerations. Additionally, while the participating counties make great effort to provide complete and accurate data, they occasionally can not provide adequate reports making analysis and tracking of recycling programs difficult. Lack of consistency in data collection and reporting by municipalities results in recycling rate reports that invite contention and question by stakeholders.

NDEP proposes to create recycling center reporting requirements in statute with recyclers reporting directly to NDEP. Confidentiality of proprietary information is assured in the proposed statute. This should improve reporting compliance by removing the burden from the municipality and increase accuracy through quality assurance standards



administered by NDEP. A minor administrative penalty is proposed to further encourage recycling center compliance.

### 1.2.3. Establish Solid Waste and Recycling Grants

NDEP is requesting the state legislature provide NDEP the authority to award grants to municipalities, educational institutions and nonprofit organizations for projects that enhance solid waste management systems and promote resource conservation and recycling. One of the mandates of AB 320 was for NDEP to develop a program of public education that provides information and increases public awareness of the importance to properly manage and dispose of solid waste and to promote recycling, reuse and waste reduction. NDEP has both broad and specific requirements to fulfill in order to satisfy these requirements under NRS 444A.110. One of the most important mechanisms NDEP has used to address these requirements has been a recycling contracts program. Awarded annually, NDEP has budgeted a significant portion of its revenue from the solid waste management account to fund this recycling contracts program.

The program does not fit the intent of state procurement contracts well. The request-for-proposal process generates responses to NDEP that request funding of a wide variety of projects. It is difficult to compare the merits of proposals that are similar in the very broad goals of encouraging and promoting solid waste reduction, recycling, and resource conservation, but approach the issue in very dissimilar manners. NDEP has supported proposals that fund the start-up and operation of municipal recycling programs, perform research in the areas of recycling and conservation, provide public education, encourage market development of recycling businesses, and promote environmentally-preferable procurement. NDEP seeks latitude from the rigid contract review process to allow more flexible selection of program funding as a grant.

### 1.2.4. Other Legislative Initiatives

NDEP is seeking other recycling-related amendments to the statutes in AB 447. These are highlighted below and the necessity of these proposed amendments are discussed in detail in relevant sections of this report.

Other key elements of NDEP's proposed amendments are:

- Require recycling service be offered to multifamily housing complexes and businesses if recycling service is offered to private residences and public buildings;
- Creation of a recycling coordinator position at the county-level in counties required to have recycling programs;
- Require counties or health districts that have recycling programs to provide businesses with information and assistance in solid waste reduction and recycling at the time of application of a business license;

- Amend the municipal recycling program review process by increasing review frequency to once every 24 months from 36 months and adding NDEP approval to the process;
- Require local ordinance in counties required to have a recycling program to provide adequate space for recycling at large business complexes (greater than 50,000 square feet) and multifamily complexes.

### 1.3 Regulatory Summary

#### 1.3.1 State Regulation Summary

NDEP has completed the regulatory amendment process implementing the changes required to satisfy AB 564. These changes are included in this report as Appendix B. This statutory change also required NDEP to develop a model plan for recycling in public buildings. NDEP completed this task in October 2001 and a copy of the Public Buildings Recycling Programs Model Plan is attached to this report as Appendix C.

The new regulations added NAC 444A.090 to define "*Public Building*" for the purpose of recycling requirements, modified NAC 444A.130 to include a program for separation of recyclable material at public buildings and a compliance date for affected municipalities, and added new section NAC 444A.500 addressing recycling programs at state agencies. Also as discussed in the previous section, NAC 444A.120 was amended to reflect new population bases as required by AB 650.

NDEP petitioned the SEC to modify certain solid waste regulations in NAC Chapter 444 in September 2002. This petition included amendment to compost plant regulations that are of note to recycling. SEC adopted regulations in section NAC 444.670 that are intended to clarify the permitting process for compost plants, define compost plant operating and permit criteria, and modified the required buffer zone distances on compost plant properties. As of the writing of this report, there is one new compost facility that has entered the permitting process.

#### 1.3.2. Municipal Regulation Summary

Clark County Health District, acting in its role as the solid waste management authority of Clark County, adopted standards and regulation for recycling centers in December 2001. Recycling center regulations were developed by CCHD to address issues concerning illegal dumpsites and concerns related to businesses operating as "sham" recyclers. The new recycling center regulations also helped clarify issues identified after the adoption of transfer station regulations and materials recovery facility (MRF) regulations.

Material recovery facility regulations were adopted by the Clark County Board of Health in May 2000. Subsequent to the passage of the original MRF regulations, some board members expressed concern that some parts of these new regulations were in conflict

with certain regulations and ordinances of local jurisdictions. Additionally, CCHD received applications for permits to operate MRFs from Clark County businesses that were clearly not MRFs, but recycling centers. To remedy this situation, CCHD petitioned the Clark County Board of Health to adopt standards and regulations pertaining to recycling centers. The Clark County Board of Health heard and adopted regulations for operation of recycling centers in December 2001. Following passage of these regulations, CCHD heard from a number of recycling businesses with concern they could not meet the new recycling center definition requirements. In particular the regulation prohibiting the generation of any solid waste by a recycling center.

CCHD addressed these concerns and in January 2002 petitioned the Board of Health to revise the recycling center regulations to permit the generation of "*residual solid waste*" after processing of materials by the center. Residual solid waste is defined in the Clark County District Board of Health Solid Waste Management Regulations as "*an insubstantial amount of any contaminant material, as determined by the solid waste management authority, that remains or is left after separation, and removal of legitimate recyclable materials, that cannot be recycled and that must be disposed of as a solid waste pursuant to Section 8, Subsection 1, of these regulations.*". The Board of Health adopted the proposed regulations and a number of recycling businesses are in the permit application process, with several permits completed and issued.

The process of adopting these regulations and the introduction of a permitting requirement led to some controversy and resistance among some of the affected businesses. CCHD indicated that the primary reason cited by commercial recyclers for not completing the 2001 recycling report was due to disagreement over proposed regulations and the process. NDEP believes that such actions of noncompliance can be alleviated by removing the local regulatory authority from the recycling report process and requiring commercial recyclers to report directly to NDEP. NDEP has proposed statutory amendment in AB 447 that would create such a modified reporting process and maintain complete confidentiality of all proprietary information.

#### **1.4 Recycling Legislation Overview and Summary**

A brief summary of Nevada recycling legislation follows; more in-depth historical summary was presented in the 2001 Biennial Recycling report. The reader can review the 2001 report and this report on the Nevada Division of Environmental Protection web site at <http://ndep.nv.gov/recycl/status.htm>.

Nevada recycling statutes began with passage of Assembly Bill 320 in the 1991 legislative session. AB 320 established solid waste recycling requirements for certain municipalities, a statewide goal of recycling at least 25% of the solid waste generated, established preferential procurement policy for goods made of some recycled-content materials, and directed NDEP to provide a program of education and technical assistance to the public and municipalities concerning recycling.

Municipal recycling program requirements are tiered on the basis of population. Counties with large metropolitan centers (populations greater than 100,000) are mandated the most rigorous program standards including curbside collection of recyclables, the establishment of recycling centers if none exist, and maintaining a program for the disposal of household hazardous waste. Counties with significant urban and suburban areas (populations less than 100,000 and greater than 40,000) are required to establish recycling centers if none exist and to provide a household hazardous waste disposal program. Rural counties (populations less than 40,000) are encouraged to offer recycling and household hazardous waste programs as they can.

AB 320 was promulgated in Nevada Revised Statutes (NRS) Chapter 444A and with the authority created by these statutes, the State Environmental Commission adopted regulations to fulfill the bill's mandates in Nevada Administrative Code (NAC) Chapter 444A. In addition to AB 320, three other bills were passed by the 66<sup>th</sup> legislature pertaining to recycling. These bills addressed issues of plastic resin identification, paper recycling by state government, the development of markets for collected recyclables, and the procurement of materials by local government and other public agencies of goods and equipment, especially paper, that contain recycled materials.

Funding for these mandates was established by creation of a \$1 surcharge on the retail sale of all new vehicle tires in the state. Originally designated the "*Account for Recycling*", the statute was subsequently amended to prevent closure of this account on a sunset date of March 15, 1993 and was renamed the "*Account for Solid Waste Management*". The "*Account for Solid Waste Management*" funds all solid waste regulatory programs in the state, not just recycling. This includes solid waste disposal site permitting and facility inspections and monitoring. As such, the revenues from this account are disbursed among the three solid waste management authorities in the state; NDEP, Clark County Health District; and Washoe County District Health Department.

The recycling statutes passed in 1991 have been amended several times in addition to the changes to the tire fund discussed above. Significant changes were introduced and passed in the 1999 legislative session as part of AB 564. AB 564 added public buildings to the requirement that residential premises in specific municipalities be offered curbside pickup of recyclables. AB 564 also broadly expanded the list of public entities that must recycle their waste paper and paper products. AB 564 was discussed in some detail in the 2001 Biennial Recycling report, since the 2001 report was issued the State Environmental Commission has adopted regulations to implement the statute.

In the 2001 legislative session, one significant amendment was made with the adoption of AB 650 relating to the classification of recycling programs based on populations. AB 650 was introduced to make adjustments to several population-based statutes using the latest decennial census data (2000 census). It affected NRS 444A.040 and NAC 444A.120 by raising the minimum population of a county required to offer recycling programs from 25,000 to 40,000. The population requiring the highest tier recycling program remained the same at over 100,000.