



**National Recycling Coalition, Inc.**

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Office of the Governor  
Statehouse  
Indianapolis, Indiana 46204-2797

Dear Governor Mitch Daniels,

On behalf of the National Recycling Coalition (NRC), I would like to address several troubling developments in Indiana that could adversely impact the future of recycling in your State, and potentially in states across the U.S. Our state affiliate, the Indiana Recycling Coalition (IRC), has informed us of numerous actions the state is poised to take that would prevent businesses, citizens and local governments from capitalizing financially and environmentally on recycling.

Recycling is not merely a feel good public service for the citizens of Indiana; it is a multi-billion dollar industry for the state, employs thousands in high paying jobs, and provides cities and towns the ability to significantly reduce their waste management costs, all while saving resources and reducing emissions that cause global warming. In Indiana, recycling is a significant contributor to the state's economic vitality, with over 75,000 jobs in 1,700 recycling and reuse establishments. These jobs provide \$3 billion in wages and salary disbursements, \$285 million in tax revenue to the State, and \$19 billion in annual revenue.

Indiana has been a leader in recycling for many years, with a well-funded grant and loan program targeted to growing the recycling infrastructure and industry, and cutting-edge work to green state and local government. Thus, I was surprised to learn that the State was proposing policies that would damage the future of recycling in Indiana.

Recently, the state board governing the Recycling Promotion and Assistance Fund has allowed plasma arc waste treatment to be considered for funding, and IDEM, in the draft Integrated Recycling Plan has proposed that other waste-to-energy processes, like incineration, should also be eligible for these funds as a "lower level of recycling". There is also information that a proposed change to the statutory definition of recycling to include waste-to-energy processes, like incineration, is in the works.

*Of the dozens of states with comprehensive solid waste management laws, no state statute defines the burning of waste for energy as recycling.* The NRC and IRC have worked hard to educate the public on recycling, and have long established standards for these terms that our education programs are based on. NRC defines recycling as "the series of activities by which discarded materials are collected, sorted, processed, and converted into raw materials and used in the production of new products." The definition specifically excludes waste-to-energy as recycling, and defines "waste" as discarded materials and products that are landfilled or incinerated, rather than reused, recycled, or composted. Including waste-to-energy as a "lower level of recycling" would conflict with these definitions, the laws in every state with solid waste policies in place, and the federal government's waste management hierarchy. *Changing the definition of recycling in Indiana to include waste-to-energy could fundamentally undermine the credibility the term "recycling".* For these reasons, we strongly urge the state to abandon plans to consider waste-to-energy as a form of waste diversion or recycling.

We also protest the use of recycling funds (from dedicated grant and loan programs established in legislation) for non-recycling activities such as waste-to-energy projects. NRC believes that it was the clear intent of the legislature that the dedicated recycling funds be spent on recycling activities as defined in statute. Siphoning away limited funds from recycling to less economically and environmentally desirable disposal options such as waste-to-energy and landfilling will inhibit the growth of recycling in Indiana and increase waste disposal for decades to come, when the rest of the country is moving in the opposite direction.

The recycling industry is not a small part of your economy - it is a substantial, vibrant and diverse set of industries that contribute in a myriad of ways to the overall economic health of Indiana. And much of this industry relies on a steady and consistent supply of recyclable materials generated from recycling programs around the state. Public investment in recycling supports a strong, diverse and large recycling manufacturing industry, which brings jobs and high wages to Indiana.

When comparing the job creation and retention potential of recycling vs. disposal, recycling is the clear winner. According to NRC's National Economic Information Study, for every one job in the waste industry, there four jobs in the recycling industry. This is because recycling is inherently value-adding, and waste disposal is not. Unlike landfilling and waste-to-energy, each stage in the recycling process adds value and creates economic activity.

Recycling is truly a win-win: recycling is an engine for economic growth AND a vital element in environmental conservation. Significant energy and natural resources are used to make products and packaging. When we recycle these materials, we keep the energy and resources embodied in those products working for us, rather than wasting them after just one use by burying them in landfills or burning them in waste-to-energy facilities.

With communities and states across the country grappling with budget shortfalls, many have faced similar cross-roads on which way to turn on their commitment to public investment in recycling. Despite budgetary pressures to divert funds away from recycling, most states have continued to honor the legislative intent of these policies to support recycling. Recycling continues to garner the widespread public support that drove the original implementation of these policies. Citizens recognize that using a product or package once then disposing of it makes no economic or environmental sense. Indeed, more people in this country participate in recycling than vote.

On behalf of the NRC, thank you for the opportunity to raise these concerns regarding the future direction of recycling in Indiana. We urge IDEM and other state agencies that may become involved in these issues to recognize recycling's importance to the state's economy and environment, to retain the integrity of the meaning of recycling, and to maintain or even increase the state's financial support for legitimate recycling projects.

Sincerely,



Kate Krebs  
Executive Director

The National Recycling Coalition is a not-for-profit organization that was established in 1978. We have thousands of members from around the country, a large percentage of which are local, regional & state recycling coordinators – the key officials who design & implement waste prevention, reuse and recycling programs. Our membership also includes collection & processing for profit along with non profit companies; manufacturers that use recycled materials for raw materials; and consumer product companies that create the packages and products Americans consume. The Indiana Recycling Coalition (IRC), with its 150 members, is a key recycling organization affiliate.