

# WASTE & RECYCLING NEWS

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## Belt tightening throws limelight on PAYT

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The political will appears to be bending a bit in favor of pay-as-you-throw programs as new regions start to embrace the system and other pockets of the country experience a resurgence.

Experts say the market is producing a perfect storm of reasons to investigate PAYT, widely promoted as the most cost-effective way to reduce landfill disposal, increase recycling and improve equity among residents who produce disparate amounts of trash and recycling.

Consider the economic climate. Municipal budgets are tight; waste reduction goals are being established and select states are enacting legislation to promote pay-as-you-throw; information is spreading about successful PAYT programs and subsequent diversion rates; and haulers are looking for ways to reduce costs at the landfill.

"We've been conducting nationwide counts and comprehensive inventories of PAYT communities every couple of years since the late 1980s," said Lisa Skumatz, principal of Skumatz Economic Research Associates Inc., whose research and consulting firm leads the nation in pay-as-you-throw studies. "In conducting our soon-to-be-released update to SERA's 2006 PAYT community count, which found more than 7,100 communities with access to PAYT, we have seen considerable growth in several parts of the country, including the Plains, Mountain West, Southwest, South Central, and a resurgence in the Northeast."

Skumatz, often called the "Jedi Master" of pay-as-you-throw — a system she has been studying and analyzing since 1987 — said her team of researchers is seeing activity in quite a few areas where it hasn't before. The main thing holding other communities back? Political will.

Take California, Washington, Oregon, Minnesota, Iowa and Wisconsin — all leaders in pay-as-you-throw programs. When Skumatz's firm looked at what characterized the leading states, it wasn't access to ports or great markets, and it wasn't special demographics or super-high tipping fees.

"It was really more about political leadership, and that can come anywhere," she said. "PAYT doesn't just encourage recycling but also encourages composting, buying more carefully, and diversions of all kind — that's pretty key — and it doesn't require a whole new funding source. It's its own funding source, which is pretty important to folks."

Budget constraints might not have been the motivating factor for many of the leading states, but PAYT can provide a well-funded alternate reality for cities facing crushing disposal costs.

"Municipalities are looking at every aspect of their budget right now, and many are looking at PAYT as a way to make disposal more fair and more equitable to residents and also to save money overall," said Kristen Brown, managing partner of Green Waste Solutions, who has worked in the pay-as-you-throw arena for more than 10 years. Her work has focused primarily in New England states. New Hampshire and Maine have both implemented programs, but the clear leader is Massachusetts, which has been promoting pay-as-you-throw since starting a grant program in the mid-1990s.

"There are five or six municipal coordinators throughout the state who focus on improving recycling rates, and they will tell you that their No. 1 tool is PAYT," Brown said. "Massachusetts' big push is the main reason why you are seeing so much happening in New England. The state has great data, and when you look at their data, it's really easy to see the city and towns that have PAYT dispose of close to 40% or 50% less than the cities that don't have PAYT, comparing residential rates."

Pay-as-you-throw has effectively reached its tipping point in Massachusetts, where close to half of the municipalities have adopted such variable-rate or volume-based systems.

"It's making it a lot easier for those other municipalities to jump in because the excuses are kind of gone now," Brown said.

Mark Dancy, president of WasteZero, a leading environmental services and consulting firm that works with municipalities of all sizes to develop pay-as-you-throw programs, said the economic climate has definitely helped drive interest in PAYT.

“We work with more than 300 communities and have added about 30 in the last year, and we have interest from another 300,” he said. “We are seeing more interest in doing the programs particularly where the immediate and long-term financial savings are so substantial that towns can't ignore them — where the tipping fees are in the \$40 to \$100 per ton range.”

Dancy said for cities with high tipping fees — anything more than \$40 a ton — there is no other program that can have as great and immediate impact as pay-as-you-throw.

“When you talk about how important it is to save energy, reduce waste, to reduce government waste, this is a program that should be at the forefront of everybody's mind,” he said. “PAYT works to incentivize residents to connect their habits with their costs. Much like other utilities such as electricity or water, the more bags of trash you have, the more you pay.

“We fundamentally mispriced garbage,” he said. “When municipalities run garbage, it's a socialized system where no one has any personal accountability or responsibility, and as a consequence of that, we tend to be very wasteful. PAYT is fair, and it's so much like what we do in the rest of our everyday lives. We pay for what we use. But to get to that system it requires change, and when you get to that change word, it becomes a political challenge.”

To that end, Skumatz's firm has been doing workshops on pay-as-you-throw for decades and offering free webinars for the last three years. The workshops cover the basics of PAYT, challenges, implementation options, hauler perspective, rate design, building support and other topics — along with case studies and speakers from PAYT communities and haulers from around the nation.

Attendees in previous webinars have been from 48 states, five Canadian provinces, and other countries including Bahrain, Columbia, Croatia, Mexico, Portugal and the United Kingdom.

The company's next free webinar will be from 11 a.m. to 1 p.m. Mountain time April 7. For more information, visit [www.paytnow.org](http://www.paytnow.org).

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