

Indiana's State Solid Waste Management Fund (SWMF)



THE CASE TO RE-INSTATE

Investments in recycling reduce the cost of doing business in Indiana. For example, glass manufacturers reap 25% savings in energy costs and aluminum manufacturers save 95% in energy costs when using recycled vs. raw materials.

In addition, a 2011 study from the Tellus Institute determined that increasing the nation's recycling rate from 33% to 75% by 2030 would create 1.5 million new jobs. Only with strategic economic development investments in recycling will Indiana realize our full portion of these new jobs.

Notably, in Indiana, the economic benefits of investing in recycling are even greater than most states with more than 60 in-state manufacturers using recycled feedstock in their operations. Many of these manufacturers purchase recycled feedstock from other parts of the country or even Canada because today in Indiana we are throwing away the valuable material they need to operate competitively.

WHAT IS THE REQUEST

In 2009, the SWMF was frozen as part of wide-ranging budget cutting efforts during a fiscal crisis. Prior to that time, 50% of the allocated fund was dedicated to community-based projects and the other 50% of the allocated fund went towards private sector infrastructure investments. In the years leading up to 2009, annual appropriation levels were a modest \$2.8 million of the roughly \$5 million accrued annually and were divided as follows: **\$1.3 million to support community collection programs** (Cities/towns, Solid Waste Management Districts, universities and other non-profits were eligible to apply) and **\$1.5 million to private sector infrastructure investments**.

The IRC requests re-instatement at the annual appropriation levels leading up to 2009, plus \$600,000 of the roughly \$1,000,000 now paid into the fund from *Marion County:

- **\$1.6 million for community collection programs and**
- **\$1.8 million to private sector infrastructure investments = \$3.4 million total annual request**

HOW WOULD THE FUNDS BE USED?

With an unprecedented level of demand for certain materials, IDEM could prioritize funding proposals that support collection and processing of those high-demand materials. Glass, plastic and aluminum beverage containers, for example are in short supply. Proposals could be solicited to support:

- Bar and restaurant collection programs in areas with a minimum density of such businesses
- Rural glass collection programs coordinated regionally to maximize investment
- Residential (curbside or neighborhood) collection programs
- Education programs for existing and underutilized recycling programs

In addition, as public and private sector interest in other materials, such as construction/demolition debris or food waste increases, funds could be targeted to help invest in those burgeoning industry sectors.

ABOUT THE FUND

The state legislature established the recycling fund (referred to in IC 13-20-22 as the State Solid Waste Management Fund) in 1990. The recycling fund is generated from the state's fifty-cent disposal fee collected from every ton of waste disposed of in an Indiana landfill. The fund was designed to build Indiana's recycling programs and processing infrastructure.

*Prior to 2009 Marion County disposal facilities did not pay in. The Marion County exemption has since expired and monies are now coming in – approximately \$1,000,000 per year.