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State Recycling Programs

During the 1990s, Wisconsin enacted recycling legislation prohibiting the landfill disposal of various materials and providing financial assistance for several recycling programs. The Recycling Fund supports these programs, which are administered primarily by the Department of Natural Resources (DNR). Revenue for the Fund is provided by a surcharge on Wisconsin businesses and a landfill tipping fee surcharge. In fiscal year (FY) 1999-2000, expenditures from the Fund totaled \$28.9 million.

The largest program provides aid to local recycling programs. In 2000, a total of 999 municipalities ranging in size from towns to counties received recycling grants totaling \$24.4 million. These grants supported, on average, 30.4 percent of municipal recycling costs. Municipalities' total costs to provide recycling services, less revenues received from the sale of recyclables, were \$77.7 million in 1999, when they reported recycling 759,600 tons of material.

Wisconsin Recycles More than the Nation as a Whole

The most current data available indicate Wisconsin recycled 36.1 percent of its municipal solid waste in 1995, when the nation recycled 26.0 percent. Wisconsin provides more funding for local recycling efforts than other midwestern states do, because most other states do not provide ongoing support for the operation of local recycling programs. Minnesota does fund the operation of its local programs, but Minnesota's support totaled \$14.0 million in FY 1999-2000, compared to Wisconsin's total of \$24.4 million. Residential per capita recycling rates were similar in both states.

There are significant costs associated with Wisconsin's relatively high recycling rate, primarily because the cost of processing recyclables is higher than the cost of landfilling. In 1998, the average cost to collect and landfill a ton of material was approximately \$85, while the average cost to collect and process a ton of material for recycling was approximately \$95.

Many factors affect municipalities' recycling costs, but the most significant is the level of service provided. Although only the 144 Wisconsin municipalities with populations greater than 5,000 were required to collect recyclables at curbside in 1999, an additional 487 municipalities provided this service rather than drop-off recycling sites. Their decisions to do so increased recycling costs by an estimated \$5.1 million. However, per capita recycling rates are generally higher with curbside collection than with drop-off sites.

We found little relationship between the size of a municipality's recycling grant and the amount of material recycled. We also found wide variations in municipalities' per capita expenditures for recycling and in the amounts they recycled per capita.

The Number of Staff Paid from the Recycling Fund Should Be Reviewed

Currently, 31.0 full-time equivalent staff in five state agencies, including DNR, the University of Wisconsin, and the departments of Corrections, Commerce, and Revenue, are paid from the Recycling Fund. DNR employs the largest number, 19.0 in FY 1999-2000. We examined time-reporting records for staff in the Bureau of Waste Management, where 12.0 of the 19.0 DNR recycling staff are located. Recycling activity was not recorded in time records for the equivalent of 3.6 of these positions. We have suggested that DNR justify its need for the current number of recycling-

funded positions in the upcoming legislative session.

Legislative Action on Solid Waste and Recycling Issues Is Likely

The Legislature will face several recycling-related issues in the next biennium. For example, based on current expenditure and revenue rates, the Recycling Fund could face a deficit of approximately \$7.9 million beginning in FY 2001-02. Options include developing new funding mechanisms for state support of recycling, determining whether or not to modify state laws that specify which materials are to be recycled and the means by which recycling services are provided, revising the municipal grant allocation formula, or shifting the focus of recycling staff efforts.

[full report, PDF file \(256KB\)](#)