United States Environmental Protection Agency

Solid Waste and Emergency Response (5305W)

EPA530-F-96-031
April 1997

EPA

Pay-As-You-Throw

A Fact Sheet for Elected Officials

As an elected official in your community, you have many responsibilities besides municipal solid waste (MSW) management-but it's an important service.

Residents in most communities have come to expect efficient, reliable trash collection and disposal, and they tend to support those officials who can get the job done.

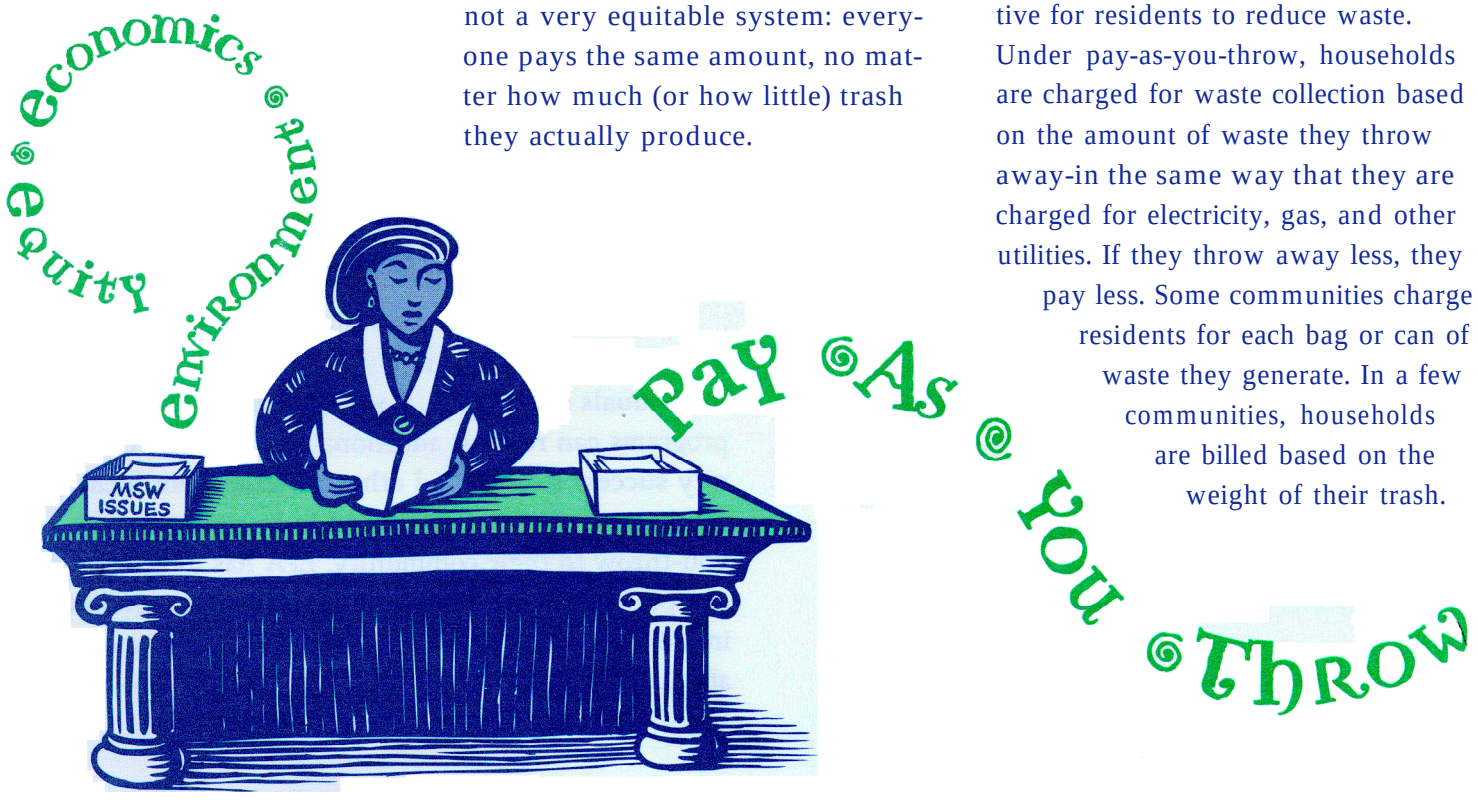
This task has been growing more complicated, however. First of all, it's likely that your residents are generating more waste each year, even if you have a recycling program in place.

That can mean escalating costs. And whether your residents pay for MSW services through a direct, flat fee or via their property taxes, it's not a very equitable system: everyone pays the same amount, no matter how much (or how little) trash they actually produce.

What is pay-as-you-throw?

Fortunately, there is a system that can help your MSW management personnel meet these challenges. In nearly 2,000 communities across the country, a program called "pay-as-you-throw" is offering residents a more equitable way to pay for collection and disposal of their trash-while, at the same time, encouraging them to create less waste and increase the amount they recycle.

Pay-as-you-throw programs, also called unit-based or variable-rate pricing, provide a direct economic incentive for residents to reduce waste. Under pay-as-you-throw, households are charged for waste collection based on the amount of waste they throw away-in the same way that they are charged for electricity, gas, and other utilities. If they throw away less, they pay less. Some communities charge residents for each bag or can of waste they generate. In a few communities, households are billed based on the weight of their trash.



What are the benefits of pay-as-you-throw?

Pay-as-you-throw gives residents greater control over their costs. While they may not realize it, your constituents are paying for waste management services. And whether they pay through taxes or with a flat fee, residents who generate less and recycle more are paying for neighbors that generate two or even three times as much waste. When a few residents generate more waste, everyone pays for it. With pay-as-you-throw, residents who reduce and recycle are rewarded with a lower trash bill.

As a result, households under pay-as-you-throw tend to generate less waste. Communities with programs in place have reported reductions in waste amounts ranging from 25 to 35 percent, on average. Recycling tends to increase significantly as well. And less waste means that a community might be able to spend less of its municipal budget on waste collection and disposal-possibly even freeing up funds for other essential services like education and police protection.

Because residents stand to pay less (if they generate less), pay-as-you-throw communities have typically reported strong public support for their programs. The initial reaction from residents can vary, however-some residents might feel that the program is no more than an added charge. To address this, it is important to explain to residents at the outset how the program works, why it is a more equitable system, and how they can benefit from it. Pay-as-you-throw has tended to work best where elected officials and other community leaders have reached out to residents with a thorough education campaign.

Many of the resulting programs have been highly successful and have often attracted attention. In some cases, pay-as-you-throw has worked so well that the communities have become models in their region, demonstrating how MSW services can be improved. And within the community, elected officials can point to pay-as-you-throw as an example of municipal improvements they helped bring about.

Equity

Pay-as-you-throw is fair: residents pay only for the waste they throw away.

Economics

Residents who reduce and recycle save money—and less waste helps municipalities cut costs, too.

Environment

Fewer natural resources are used and landfill space is saved, reducing the need to site new facilities.

Are there disadvantages to pay-as-you-throw?

While there are potential barriers to a successful program, communities with pay-as-you-throw report that they have found effective solutions. Illegal dumping is a frequently raised issue. While it is often assumed that illegal dumping will increase once residents are asked to pay for each container of waste they generate, most communities with pay-as-you-throw have found this not to be the case. This is especially true when communities offer their residents recycling, cornposting for yard trimmings, and other programs that allow individuals to reduce waste legally. Others, particularly lower-income residents, worry about the amount they will have to pay. In many communities, however, coupon or voucher programs are being used to help reduce trash collection costs for these households.

How can I learn more about pay-as-you-throw?

EPA has developed a series of products for anyone interested in pay-as-you-throw. Individuals looking for more information on these programs can request additional fact sheets, community success stories, and other materials. For local solid waste planners interested in bringing pay-as-you-throw to their community, EPA has developed a comprehensive set of tools to help them design and implement a successful program. To find out more about EPA's collection of products, call the Pay-as-you-throw Helpline toll free at 888-EPA-PAYT.