

## Design the PAYT Program that is Right for Your Unique Town

PAYT is not one size fits all, and each aspect of the program is up to you. As a town, you can decide how you will charge, how much you will charge, any penalties for non-compliance, etcetera. The companies that manufacture PAYT bags, tags, stickers, bins, and punch cards are also great resources to help you design your program, and they can often include administrative and shipping services in the price of their products, which can be very cost-effective. Below is a brief description of the most common ways to charge for waste, but be sure to evaluate every option, be creative, and design whatever program works for your specific town.



### The Case for Bags

When comparing the costs and benefits of various programs, be sure to consider these points as well:

- ♦ Bags are the most equitable way to control the volume of waste because everyone will be using the same ones
- ♦ Bags are easier to see than tags or stickers, and don't run the risk of falling off
- ♦ With bags, less discretion is left up to the transfer station attendants or waste collectors, and their job will be easier
- ♦ PAYT bags come in a variety of sizes, strengths, colors, and can be printed to suit your needs

# Pay-As-You-Throw is the Way to Go

## A Resource for Communities

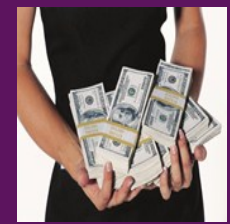


Pay-as-you-throw (PAYT) is any method by which households pay for each unit (weight or by individual bag) of waste they generate, similar to how they are charged for any other utility. Towns typically adopt a PAYT program to encourage households to generate less waste, thereby avoiding the ever-increasing costs of disposal. Furthermore, the revenue earned from the unit-based fees can offset the solid waste budget and reduce the amount of money needed to be raised through taxes to pay for trash disposal.

PAYT is also a more fair and equitable way to distribute the costs of managing waste throughout the town than through the general tax fund or flat fee. Imagine if your electricity or water were paid for through taxes, rather than by consumption? People would find that unfair, and the same argument should be made for trash disposal.


### TOP 3 Reasons to PAYT

#### Equity among Residents




The inherent fairness of PAYT allows people to have greater control over their costs—it is based on how much of the service you use. Those who reduce waste are rewarded with a lower bill. You are no longer forced to subsidize your neighbors' wastefulness.

#### Savings by Cost Avoidance



An effective PAYT program will significantly reduce total municipal solid waste as residents generate less to avoid paying the unit-based fees. The town directly avoids the cost of waste disposal (tipping fees) and experiences an immediate decrease in solid waste expenses.

#### Increased Recycling



With a PAYT program, households will reduce, reuse, and recycle their waste to decrease their own disposal expenses. Not only will this reduce the material bound for the landfill or incinerator, but the sale of recyclable materials can bring in revenue to further offset the budget for municipal solid waste.

Over 7,000 towns in the US have already adopted some form of PAYT. Each program is unique but PAYT is simply an economic incentive program that encourages residents to reduce, reuse, and recycle their waste. It enables the municipality to avoid increasingly expensive disposal costs and more equitably distribute those costs throughout the community.



For more information please visit our website at: [www.rcapsolutions.org/forms\\_SolidWaste.html](http://www.rcapsolutions.org/forms_SolidWaste.html)

*RCAP Solutions can offer free education, training and technical assistance to local officials, committees and residents in rural communities. We can also connect you with other organizations and towns with PAYT experience, and can be with you every step of the way help ensure that your PAYT program is a success.*



*This material is based upon work supported under a grant by the Utilities Programs, United States Department of Agriculture. Any opinions, findings, and conclusions or recommendations expressed in this material are solely the responsibility of the authors and do not necessarily represent the official views of the Utilities Programs.*

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## PAYT Will Lower the Municipal Solid Waste Management Budget

- As residents reduce, reuse and recycle their waste to avoid paying for disposal costs, the total MSW tonnage can be expected to decrease by 25-45% on average. This will result in drastically reduced disposal costs (tipping fees), which is typically one of the largest line items in the solid waste budget.
- When households pay for their waste through unit-based fees, all of that money can go toward offsetting the solid waste budget. Depending on your rate structure, some support may still be needed from general fund, but it is possible to design your PAYT program to cover most or all of your costs.
- PAYT should increase the volume of recyclable materials, which could earn more revenue for the town. It is recommended that towns adopt a special fund to accrue all revenues from unit-fees and recycling to the solid waste budget so that residents can clearly see the financial effects of the program.



## Households Gain More Control Over Their Costs With PAYT

Can you show that, with a certain level of participation, the average households' annual trash costs can decrease with a PAYT program? Do out of pocket costs plus the tax dollars needed to support the budget amount to a savings with PAYT? You can estimate the total annual household costs by dividing the total solid waste budget by the total number of households. With PAYT, disposal costs typically decrease by 25-45%, and the remaining budget will vary depending on the revenue earned from the PAYT unit-based fees.

It is important for households to understand that they are paying for waste disposal whether through taxes or PAYT unit-based fees, but they could ultimately pay less with PAYT since they control how many bags of waste they generate.

Revenue from the PAYT program unit-based fees will offset the solid waste budget and decrease the amount of taxes needed to cover the remaining costs. For instance, if your town charged only \$1 per bag, less revenue would be accrued to the SW budget than if the bags cost \$3 each.

PAYT is program to help reduce annual household solid waste costs, not add to them.



## Addressing Common Questions and Concerns about PAYT

Switching to a PAYT program can raise a volatile debate among residents. To pass a PAYT program in your town you need broad support, and a dedicated group of individuals to conduct a convincing public education campaign. It is important to give people the opportunity to openly discuss and debate the issues in advance and to help them understand the program that will be presented to them for vote.

*"PAYT is just another tax, and now I am being double-taxed for the same thing"*

- Opponents to PAYT see the unit based fee as an added "tax," and they may express entitlement to produce as much trash as they wish, because they already pay property taxes. However, the reality is that their costs are split between the unit-based fees and a smaller portion of the general fund. Their total costs can go down if they reduce, reuse, and recycle their waste.

*"Even if the solid waste budget is reduced with PAYT, my taxes won't go down"*

- These people are probably right, but you can explain that maybe they won't increase as much each year, and if they do it won't be from the solid waste budget. PAYT is an effort to decrease their tax burden.

*"PAYT and recycling are just part of an environmentalist, liberal agenda"*

- Actually recycling and PAYT are purely about economics and cost avoidance. In fact, fiscal conservatives can feel better knowing that their taxes are not being thrown out with the trash, and that the town has less control over how much money is spent on disposal. Instead, most of that control is put in the hands of the residents.

*"People are just going to end up throwing their garbage away in the woods"*

- Towns with experience have reported that illegal dumping is no more a problem after PAYT than it was before. Most residents will be law abiding, but in the case that there are a few people who actually illegally dump their trash to avoid paying, there needs to be proper enforcement and penalties in place.

*"I'm on a fixed income, I can't afford even a little extra per week"*

- Some households may have a very limited budget and are burdened by even a small out-of-pocket fee each week. Consider offering a rebate or discount to low-income families and fixed-income elders.

*"Will the local businesses who sell the bags receive any benefit?"*

- Most local businesses are happy to sell the bags, tags, stickers or punch cards because it brings in foot traffic, and they are doing something important for their community. The businesses typically buy and sell these items for the same price, but it is up to the town whether or not the business will receive a small portion of the sale of each item.

## Community Involvement is Key for a Successful PAYT Program



Residents should be made aware of the benefits of reducing waste, how PAYT can achieve those goals, and how their households stand to benefit. Your campaign should be prepared, simple, transparent and unchanging. You need time to build a consensus among residents, gather quotes for administrative program costs, and prepare the proper documentation before your PAYT program is voted on and implemented.

### Community outreach ideas include:

- Public hearings and presentations
- Press releases to local media outlets
- Presence at local events and public areas
- Distribute information about PAYT and recycling at the local transfer station or recycling center
- Educational events for students and other organized groups within the community
- Survey residents to consider their concerns and get feedback
- Mail brochures or flyers outlining the recycling collection process
- Enable those who already recycle to get involved and to speak to their friends and neighbors