

MATERIALS MANAGEMENT ADVISORY COMMITTEE

Meeting Notice:

Who: Market Development Subcommittee
Materials Management Advisory Committee
Open to the Public

When: Tuesday, February 9, 2021 2:00 pm – 3:30 pm

Due to the COVID-19 pandemic, this meeting will be held remotely. Members of the public are welcome to attend by using any of the connection options listed below.

Attendance via WebEx is preferred to enable participants to view the presentation, raise their hands, or vote by chat.

Meeting number (access code): 133 078 7108

Meeting password: NKbA9mC639y

Tuesday, February 9, 2021

2:00 pm

Other ways to join:

- **Join from a video system or application**
Dial 284128695@illinois.webex.com
You can also dial 173.243.2.68 and enter your meeting number
- **Join using Microsoft Lync or Microsoft Skype for Business**
- Dial 286820866.illinois@lync.webex.com
- Need help? Go to <http://help.webex.com>
- **Join by Phone** (loses some content and functionality)
[+1-312-535-8110](tel:+13125358110) United States Toll (Chicago)
[+1-415-655-0002](tel:+14156550002) US Toll
[Global call-in numbers](#)



Statewide Materials Management Advisory Committee

**Market Development Subcommittee Meeting Agenda
February 9, 2021, 2:00 pm – 3:30 pm
Illinois Environmental Protection Agency
By Teleconference: (312) 535-8110
Access Code: 133 078 7108**

1. Introductions (5 minutes)
2. January Minutes Approval (5 minutes)
3. Findings and Recommendations to the Committee (70 minutes)
4. Old Business (5 minutes)
5. New Business (5 minutes)
6. Adjournment

Materials Management Advisory Committee
Market Development Subcommittee
Minutes: January 21, 2021

Committee Members present: Disbrow, Willis, Pasuma, Tazelaar, Kaar, Griffith, Mora, Westfield
IEPA staff present: Jennings, Miller, Fry, Buis, Jayne, Suthar
Members of the public: Andi Dierich, Benjamin Krumstock

- I. Introduction. Jennings called the meeting to order at 2:00 pm
- II. December minutes approval. Griffith recommended amending the December minutes to clarify Nash's comments regarding his position on recycled content beverage container legislation. Walter moves; Lisa seconds
- III. Recommendations to the Committee. Group discussion regarding establishment of a statewide market development advisory committee at the University of Illinois. Discussion covered the need to identify representative sectors that should participate on the committee and the necessary level of annual funding. Additional discussion regarding the need to identify and secure a funding source other than the Solid Waste Management Fund in relatively short order. Group discussion regarding options for a statewide materials exchange service, including the utility of contracting with a third party to construct a website and tracking system. Jennings provided an overview of state procurement of materials with minimum recycled content requirements. Group discussion of state reporting enhancements for procurement of items with recycled content thresholds.
- IV. Materials to target for diversion
- V. Old Business. Group discussion of Solid Waste Management Fund use option.
- VI. New Business.

Griffith moved to adjourn the meeting; Willis seconded. Unanimous vote to adjourn.

Meeting concluded at 3:30 pm.

Market Development Subcommittee Findings and Recommendations

Marked Development Subcommittee Findings

- 1. A coordinated statewide market development grant program is a critical component of a successful long-term materials management strategy.** The markets for recycled feedstock materials are one of the primary drivers of landfill diversion in Illinois and nationally. Recognizing that recyclables are commodities, recycling is about creating a valuable feedstock to manufacture new products and goods with a reduced environmental impact. These realities of a global market have the potential to impair efforts to expand landfill diversion opportunities. A majority of states have sought to address these adversities through financing market development opportunities in their jurisdictions. These programs are designed to support innovative endeavors that exhibit the potential to stabilize and grow recycling markets. Since 2013, Illinois has not been among that majority.
- 2. State resources in recent years would be sufficient to support a market development grant program.** Historically, the Solid Waste Management Fund has been the primary mechanism used to support the State of Illinois's recycling programs. Between State Fiscal Years 2016 and 2020, the Solid Waste Management generated approximately \$20 million annually in revenue. Appropriations from the Solid Waste Management Fund exceeded \$15 million only once during that time. With the onset of COVID-19 and related budget issues, it is unknown if the same revenue will be available in future years, including State Fiscal Year 2022, or if the Fund will be swept to partially offset deficits in the General Revenue Fund.
- 3. Many segments of private sector have self-imposed ambitious recycled content targets and any future statewide minimum recycled content initiatives should include all potentially impacted stakeholders.** In recent years, numerous private entities have incorporated recycled content targets into their corporate credo. For example, Coca-Cola has established a target of utilizing at least fifty percent recycled content in its bottle production process by 2030. If successful, these initiatives could markedly increase the demand for recycled materials and start to shift the economic calculus of recycling. Some states have supplemented these private actions by passing statutory minimum recycled content requirements on a variety of products, such as beverage containers and paper products. There was insufficient data available to the Committee to draw a definitive nexus between these legislative efforts and recycling market improvement. Consequently, the State of Illinois should monitor impact of private sector initiatives and recent minimum recycled content legislation in other jurisdictions. If future minimum recycled content legislation for products sold or offered for sale in Illinois is necessary, a stakeholder group of all potentially interested entities should be convened to examine the range of impacts of the proposed text.

Market Development Subcommittee Recommendations

- 1. Establishment of materials management market development advisory committee**

The General Assembly should establish by law a materials management market development advisory committee (advisory committee). The advisory committee should be housed at the University of Illinois and comprised of at least:

- one representative of the University;
- one representative of the Illinois Environmental Protection Agency;
- one representative of the waste industry,
- one representative of the recycling industry;
- one representative of the environmental community;

- one representative of local government;
- one representative of manufacturers located in Illinois;
- one representative of retailers located in Illinois; and
- one representative of manufacturers that use recycled materials in their production process.

These representatives should be identified and appointed by the Governor or her/his designee. The advisory committee should be tasked with reviewing applications for financial support from entities that are developing new, or enhancing existing, opportunities to recover material that would otherwise become waste and return it to the economic mainstream and identifying projects that, with the requested funding, demonstrate a high likelihood of successfully diverting material from landfills. The advisory committee should consult any additional and necessary external experts to ensure all applications are accurately evaluated. The advisory committee should also identify and endeavor to secure funding for awards issued from private sources or partnerships to the greatest extent possible. Subject to appropriation and to the extent private funding is not available, the awards authorized by the advisory committee should be supported by an appropriation of at least \$1 million annually from the Solid Waste Management Fund until 2026. An alternative state funding source should be identified to support any awards not supported by private financing after 2026.

2. Identify and Support Entities that Encourage Material Reuse Industrial Materials Exchanges

a) Reuse Asset Map

The General Assembly should appropriate sufficient funding to allow the Illinois EPA to develop and support a website and map that identifies entities within Illinois that:

- generate difficult to divert usable materials for re-use, including but not limited to, edible food, textiles, and construction and building materials;
- accept and legitimately reuse or repurpose those difficult divert materials, including food pantries, manufacturers that utilize recyclable products in their production, and reuse stores operated by units of local government or not-for-profit organizations; and
- the contact information for each entity listed.

The website should include a contact option that allows public or private organizations to request placement on the roster of sites, subject to the Illinois EPA's discretion. The website should be updated, at least annually, using readily available public information and direct outreach to entities identified on the website at the time of the update.

b) Exploring Private Partnerships

The State of Illinois should explore promoting industrial materials exchange services that connect entities within Illinois that generate usable materials to end users in order to mitigate landfilling of salvageable materials. These promoted services should include existing and emerging privately and publicly funded platforms that enable materials generators to list the type, volume, quality, and location of available items and communicate directly with individuals and organizations that seek those items. If necessary based on a review of the currently available materials exchange services, the State of Illinois should consider examining partnerships with private entities to establish an materials exchange service that addresses any voids in the existing state network. To the greatest extent possible, this service should be hosted and maintained by non-governmental entities.

3. Government procurement tracking enhancements

a) State Government Procurement Tracking

The General Assembly should amend the Illinois Procurement Code to include provisions for requiring state agencies to track purchases of materials that are subject to minimum recycled content requirements and exceptions made from those purchasing requirements. Central Management Services should annually compile and publish the volume and type of products subject to minimum recycled content requirements purchased, the total expenditures for these purchases, and an itemized list of exceptions to the purchasing requirements on the Procurement Policy Board website. On January 1, 2026, or four years after amendments to the Procurement Code take effect, whichever is earlier, Central Management Services and the Illinois EPA should convene a committee of representatives of state agencies subject to the amended tracking provisions to evaluate recycled content product purchasing habits and make recommendations to the General Assembly of any needed improvements to maximize the ratio of state government purchases of products made from recycled items.

b) Local Government Procurement Tracking

The General Assembly should amend the Illinois Solid Waste Planning and Recycling Act to require county governments to include minimum recycled content purchasing tracking in their Solid Waste Plan updates. These additional plan elements should mirror the recommended Illinois Procurement Code amendments related to tracking purchases of items subject to minimum recycled content requirements and exceptions to those purchasing standards.