



Pay-As-You-Throw

Never heard of it, right? You're not alone.

Pay-As-You-Throw (PAYT) is a solid waste management program that charges residents for the garbage they throw away. PAYT, also known as unit-based pricing or variable-rate pricing, provides a direct economic incentive to reduce waste.

How is that different from what you are paying now?

In most communities, residents pay a flat fee for trash pick up regardless of the amount they place on the curb or how often it is collected. Often, the fee is collected with property taxes. PAYT programs break that tradition by treating garbage collection like electricity, gas and other utilities. The less service you use – that is the less you throw away – the less you pay.

How does it work?

Some communities with PAYT programs charge residents a fee for each bag or can of waste they generate. Some programs charge for tags that can be placed on bags. In other communities, residents are billed based on the weight of their trash. Any way it's done, these programs are simple and fair. There are thousands of PAYT programs across the United States that vary in size. Some of the largest PAYT programs include: Los Angeles; San Francisco; Portland, Oregon; Grand Rapids, Michigan; and Akron, Ohio. In Minnesota, all communities are required to use a unit-based pricing program.

What are the advantages of PAYT programs?

PAYT not only provides residents the chance to save money on their trash bill, but also promotes:

- **Fairness.** Residents pay only for the amount of trash they generate. Households generating less pay less than households that generate more.

- **Increased Recycling, Composting and Waste Reduction.** As residents come to understand they can pay less for generating less garbage, they may be more likely to recycle and compost and throw away less. Implementation of a PAYT program, in conjunction with a curbside recycling program, can increase a community's recycling rate between 20 and 27 percent. In addition, PAYT has been shown to decrease a community's residential trash generation rate.
- **Improved Environmental Quality.** PAYT programs can improve local recycling programs – and recycling is good for the environment. Recycling reduces the need for new landfills and incinerators. Recycling saves natural resources and energy. Recycling reduces pollution from the extraction of raw materials. Recycling reduces greenhouse gas emissions. (For more information see the "FYI: Environmental Benefits of Recycling" fact sheet.)
- **Economic Sustainability.** PAYT also can be an effective tool for local governments struggling to cope with soaring municipal solid waste management expenses. Well-designed programs generate the revenue communities need to cover their solid waste costs, including the costs of such complementary programs as recycling and composting. PAYT programs also may result in reduced collection and disposal costs, reduced transportation costs, and increased revenue from the sale of recyclables.

PAYT programs are not easy to start.

PAYT programs can be fair, increase recycling and protect the environment. So, what's the problem? Why doesn't every community have a PAYT program? Well, there are some obstacles to overcome when considering a PAYT program.

- It's never easy to change. Most residents don't know they pay for garbage collection. They may mistakenly see PAYT as a new expense.

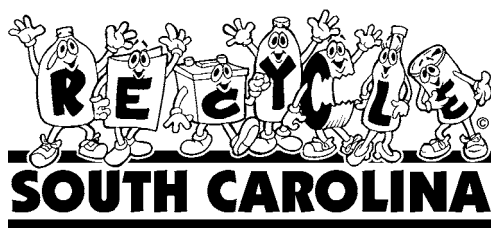
- Increases in illegal dumping, litter or open burning. Local government officials are often concerned about the prospect of illegal dumping. Most communities have found that illegal dumping, litter and open burning did not increase after the PAYT program began. This is especially true when communities offer their residents recycling, composting and other programs that allow residents to reduce their waste.

Given those concerns, can a PAYT program be set up? Of course, it can. The program must be sold to key decision makers, public input must be gathered and education provided to everyone to address concerns and misconceptions. Communication and education are the keys to setting up a PAYT program.

Want more information on PAYT?

The U.S. Environmental Protection Agency maintains an extensive Web site on PAYT. The site contains detailed information about programs, lessons learned, success stories, fact sheets and other links. In addition, the site contains a tool kit for local governments that includes a guidebook, software and presentation materials. You can visit the site at www.epa.gov/payt.

For more information about PAYT or recycling, visit DHEC's Office of Solid Waste Reduction and Recycling at www.scdhec.gov/recycle or call | **1-800-768-7348**.



Office of Solid Waste
Reduction & Recycling
1-800-768-7348 ● www.scdhec.gov/recycle

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