



SMART: Communities Save Money & Reduce Trash

Many municipalities have traditionally used property taxes and/or a flat fee to fund the management of waste generated by residents. Save Money and Reduce Trash (SMART) programs are different; they charge residents for waste disposal based on the amount they throw away. This document describes the benefits of SMART and how it works.

Solid waste management is typically one of the highest cost items in a municipal budget. SMART is a proven system that saves municipalities money. How? SMART charges for disposal but not for recycling. It:

- **Reduces the amount of trash managed by about 40-55 percent** and saves money through the resulting reductions in hauling frequency and tipping fees
- Covers costs of trash and recycling management with income

SMART is flexible and communities use many variations. Municipalities can design a system that works for them. Overall, there are two main ways to implement SMART:

- **Special bags or stickers:** households must purchase and affix the stickers or use the bag for all their trash
 - Works easily with both transfer station and curbside pickup systems
 - Requires convenient locations to purchase the bags/stickers
 - Adds minimal administrative costs to manage the bags/stickers

- **Containers:** households are allowed one container per week of a certain size at a base price and pay more for larger or additional containers
 - Works best with curbside pick-up systems
 - Adds administrative costs to bill residents
 - Requires a system to manage additional volumes (e.g., purchase of special bag)

The key to SMART is charging a fee for waste that is disposed of, but not for recycling. Virtually all SMART communities set their base fee for a 32 gallon size bag/container. Many communities that use special bags set a lower fee for a smaller sized bag. Most communities that use containers also have the option to use 64 and 96 gallon containers at higher fees. In the northeast in 2014, the typical fee of \$3 per 32 gallons covered most/all of the costs of recycling and waste management in the town budget (including labor).

SMART is fair for residents because they:

- **Pay only for the level of service needed**
- **Don't subsidize those that produce more trash**

- **Can choose to lower their costs by:**
 - Smart purchasing choices (i.e., buying products in less packaging)
 - Recycling and reusing
 - Composting kitchen scraps and yard waste

SMART also:

- **Holds the line on tax increases:** eliminates or significantly reduces the cost of waste services in a community's budget, enabling them to reduce their tax rate or allocate the savings to cover other expenses
- **Removes free-riders:** eliminates the incentive for non-residents to "smuggle" their trash into town to take advantage of "free" disposal so residents no longer pay to manage trash from non-residents
- **Provides freedom of choice:** no one has to change their waste habits, but many people may decide they would rather reuse and recycle than pay for disposal
- **Improves the environment and public health:** less waste goes to landfills and valuable resources are conserved through reuse, recycling, and composting

Steps to Adopting SMART

The first step is to establish a solid waste committee made up of municipal officials and staff and interested citizens to study the issues and make recommendations. The solid waste committee can spearhead the following steps:

- 1- Identify current costs: labor, hauling, disposal, recycling, and capital expenses
- 2- Initiate ongoing public education and discussions
 - Separate out costs in tax bills and town budget
- 3- Determine program goal: how much the fees cover (e.g., all trash and recycling costs, most costs, hauling and disposal only)
- 4- Recommend logistics, including:
 - Type of system (e.g., bags or containers; one size or multiple sizes)
 - Fee structure
 - Where bags/stickers will be sold
 - How fees will be collected and managed
- 5- Educate, educate, educate
- 6- Obtain plan approval
- 7- Publicize and implement new system

Additional Information

Northeast Waste Management Officials' Association SMART website:
www.newmoa.org/solidwaste/projects/smart

Massachusetts Department of Environmental Protection Pay-As-You-Throw website:
www.mass.gov/eea/agencies/massdep/recycle/reduce/pay-as-you-throwpayt.html

Connecticut Department of Energy and Environmental Protection SMART website:
www.ct.gov/deep/cwp/view.asp?a=2714&q=324920&deepNav_GID=1645

US Environmental Protection Agency Pay-As-You-Throw website:
<http://archive.epa.gov/wastes/conserve/tools/payt/web/html/index.html>



This document was developed by the Northeast Waste Management Officials' Association (NEWMOA) as part of its "Promoting 'Save Money and Reduce Trash' (SMART) Strategies to Increase Recycling of Solid Waste in Rural Communities" project. More information: www.newmoa.org/solidwaste/projects/smart.

NEWMOA is a non-profit, non-partisan interstate association whose membership is composed of the state environmental agency directors of the hazardous waste, solid waste, waste site cleanup, and pollution prevention programs in Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Rhode Island, and Vermont (www.newmoa.org).

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For More Information Contact:



Myths & Messaging

Myth 1: Illegal Dumping will be a Problem

Reality:

- Many studies document that towns do not experience increased problems after switching to SMART
- Problems tend to be with bulky wastes (like sofas, mattresses, and tires) and existed before SMART
- If there is a problem, strong enforcement at the start of SMART can quickly stop it

Myth 2: Unfair to Low-Income Residents

Reality:

- Everyone has opportunities to reduce waste and their costs
- Senior citizens tend to generate small quantities
- Many towns provide a subsidy for those with demonstrated need, such as a reduced price (or one free) bag/sticker each week

Myth 3: It's a New Tax

Reality:

- SMART is not an added cost — it changes the way residents pay for waste services so they are more like a utility, such as water or electricity
- Community should explain how the "freed up" tax money will be spent, such as:
 - eliminating or reducing the need to raise taxes to pay for something else
 - lowering the tax rate by the net income that SMART will generate

SMART also known as...

Save Money and Reduce Trash (SMART) systems are known by other names, including: Pay-as-you-throw (PAYT), unit-based pricing (UBP), pay-per-bag, pay-per-throw, and save-per-throw.