



April 26, 2013

Dear Members of the House and Senate Appropriations Committees on Natural and Economic Resources,

The Carolina Recycling Association (CRA) urges your support for full budget funding for North Carolina's recycling program. Governor McCrory's proposed budget cuts funding to the program by 40 percent and would reduce the program's highly effective grant programs by 60 percent. Recycling creates jobs and business investment in North Carolina and this reduction would seriously harm the ability to achieve these objectives.

The proposed cuts come in the form of reduced funding to the Solid Waste Management Trust Fund. The Fund receives a small portion of the taxes on white goods, tires, and solid waste disposal. That funding is normally estimated at \$4 million per year, which supports technical assistance efforts and grants that help grow the North Carolina recycling economy and reduce our long-term dependence on landfills. Waste disposal in North Carolina has fallen 20 percent since 2007 in large part due to a surge in recycling strongly supported by the state recycling program.

Governor McCrory's budget redirects the Trust Fund's \$4 million in revenues to the General Fund and but then only appropriates \$2.4 million back to the program. This proposal not only drastically limits the recycling program's ability to meet the state's waste reduction goals, but it also reduces the program's flexibility in responding to changes in the recycling economy. Consider some of the positive aspects of the Solid Waste Management Trust Fund's grant program:

- Large and small recycling businesses use these funds to process recyclables from NC's local programs and from multi-state sources.
- The businesses create valuable manufacturing jobs and make purchases of new durable and non-durable goods that stimulate the economy.
- Grants to local governments have been vital to expanding county and municipal town recycling programs - with local government solid waste budgets static or shrinking, these grant funds leverage local investments that provide more effective public recycling services.
- Grants are often the only way communities can begin collection programs for new materials in response to landfill bans.
- The additional collected recyclable materials spur growth in recycling businesses, which helps generate both state and local tax revenues.

The State's recycling program is one of the most effective and customer-service oriented units of state government. It provides critical non-regulatory assistance to communities and companies across the state that improves the efficiency of local programs, fosters small business growth, and prevents the wasting of valuable resources.

Allowing the program to continue this important work with full funding is good for North Carolina's economy and its environment. We encourage you to reverse the cuts in Governor McCrory's budget and keep North Carolina on track to grow the state economy through recycling.

Please contact the CRA if you have any questions,

Best regards,

Holly Bullman, CRA Program Manager

On behalf of CRA Board of Directors

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