

Pay As You Throw Introduction



In communities with pay-as-you-throw programs (also known as unit pricing or variable-rate pricing), residents are charged for the collection of municipal solid waste—ordinary household trash—based on the amount they throw away. This creates a direct economic incentive to recycle more and to generate less waste.

Traditionally, residents pay for waste collection through property taxes or a fixed fee, regardless of how much—or how little—trash they generate. Pay-as-you-throw (PAYT) breaks with tradition by treating trash services just like electricity, gas, and other utilities. Households pay a variable rate depending on the amount of service they use.

Most communities with PAYT charge residents a fee for each bag or can of waste they generate. In a small number of communities, residents are billed based on the weight of their trash. Either way, these programs are simple and fair. The less individuals throw away, the less they pay.

EPA supports this new approach to solid waste management because it encompasses three interrelated components that are key to successful community programs:

Environmental sustainability. Communities with programs in place have reported significant increases in recycling and reductions in waste, due primarily to the waste reduction incentive created by PAYT. Less waste and more recycling mean that fewer natural resources need to be extracted. In addition, greenhouse gas emissions associated with the manufacture, distribution, use, and subsequent disposal of products are reduced as a result of the increased recycling and waste reduction PAYT encourages. In this way, PAYT helps slow the buildup of greenhouse gases in the Earth's atmosphere which leads to global climate change.

Economic sustainability. PAYT is an effective tool for communities struggling to cope with soaring municipal solid waste management expenses. Well-designed programs generate the revenues communities need to cover their solid waste costs, including the costs of such complementary programs as recycling and composting. Residents benefit, too, because they have the opportunity to take control of their trash bills.

Equity. One of the most important advantages of a variable-rate program may be its inherent fairness. When the cost of managing trash is hidden in taxes or charged at a flat rate, residents who recycle and prevent waste subsidize their neighbors' wastefulness. Under PAYT, residents pay only for what they throw away.

EPA believes that the most successful programs bring these components together through a process of careful consideration and planning.