

104<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 1523

To amend the Solid Waste Disposal Act to require producers and importers of newsprint to recycle a certain percentage of newsprint each year, to require the Administrator of the Environmental Protection Agency to establish a recycling credit system for carrying out such recycling requirement, to establish a management and tracking system for such newsprint, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 7, 1995

Mr. TORRES (for himself, Mr. ACKERMAN, Mr. BEILENSON, Mr. BERMAN, Mr. BONIOR, Mr. BROWN of California, Mr. BRYANT of Texas, Mr. DELLUMS, Ms. ESHOO, Mr. EVANS, Mr. FATTAH, Mr. FAZIO of California, Mr. FILNER, Mr. FRANK of Massachusetts, Mr. FROST, Ms. HARMAN, Mr. KLECZKA, Mr. LIPINSKI, Mrs. LOWEY, Mr. McDERMOTT, Mr. MILLER of California, Mr. MINETA, Mr. MORAN, Ms. PELOSI, Mr. ROMERO-BARCELÓ, Mr. ROYBAL-ALLARD, Mrs. SCHROEDER, Mr. SERRANO, Ms. SLAUGHTER, Mr. VENTO, Mr. WALSH, Ms. WATERS, Mr. WAXMAN, Ms. WOOLSEY, and Mr. YATES) introduced the following bill; which was referred to the Committee on Commerce

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## A BILL

To amend the Solid Waste Disposal Act to require producers and importers of newsprint to recycle a certain percentage of newsprint each year, to require the Administrator of the Environmental Protection Agency to establish a recycling credit system for carrying out such recycling requirement, to establish a management and tracking system for such newsprint, and for other purposes.

1        *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4        This Act may be cited as the “Newsprint Recycling  
5 Incentives Act”.

6 **SEC. 2. FINDINGS.**

7        The Congress finds the following:

8            (1) Of the total United States waste-stream of  
9        206.9 million tons per year, paper and related prod-  
10        ucts compose 77.8 million tons, or 34 percent of the  
11        total.

12           (2) 54.3 percent of old newspaper waste in the  
13        United States is not recycled and ends up in the  
14        waste-stream.

15           (3) State and local newspaper recycling pro-  
16        grams have helped create a growing surplus of old  
17        newspaper waste and have helped to bring about a  
18        collapse of the market for recycled newsprint.

19           (4) The current glut of old newspaper waste  
20        has caused the market for old newspaper waste to  
21        vary from a price of \$75 per ton to a cost or loss  
22        of \$0 per ton.

23           (5) The price of new newsprint does not reflect  
24        the increasing cost to communities of disposal and

1 landfilling of old newspaper waste. Such cost cur-  
2 rently is between \$87 and \$134 per ton, on average.

3 (6) The cost of recycling old newspaper waste  
4 is substantially less than the cost of disposal.

5 (7) The demand for old newspaper waste needs  
6 to be increased to provide both an outlet for the rap-  
7 idly increasing glut of old newspaper waste and sta-  
8 ble markets for recyclers to invest in de-inking facili-  
9 ties.

10 (8) A minimum recycling requirement can be  
11 used to create a market which accurately reflects the  
12 societal costs of old newspaper waste.

13 (9) The creation of an efficient market for recy-  
14 cled newsprint requires that the cost of disposal be  
15 included in the cost of unrecycled products.

16 (10) The Administrator of the Environmental  
17 Protection Agency requires additional statutory au-  
18 thority to increase recycling of old newspaper waste  
19 and to stimulate demand.

20 **SEC. 3. REQUIREMENTS TO RECYCLE NEWSPRINT.**

21 (a) IN GENERAL.—Subtitle D of the Solid Waste Dis-  
22 posal Act (42 U.S.C. 6941 et seq.) is amended by adding  
23 at the end thereof the following:

1 **“SEC. 4011. NEWSPRINT RECYCLING REQUIREMENTS.**

2 “(a) GENERAL REQUIREMENT.—(1) Beginning not  
3 later than 18 months after the date of the enactment of  
4 the Newsprint Recycling Incentives Act, a producer or im-  
5 porter of newsprint each year shall recycle, using a method  
6 described in paragraph (2), an amount of newsprint equal  
7 to at least that amount of newsprint determined by—

8 “(A) multiplying the newsprint produced or im-  
9 ported that year by such person, by

10 “(B) the recycling percentage established by the  
11 Administrator under subsection (b).

12 “(2) A producer or importer of newsprint may comply  
13 with this subsection—

14 “(A) by recycling, through de-inking, newsprint  
15 for purposes of producing recycled newsprint;

16 “(B) by purchasing recycled newsprint for pur-  
17 poses of combining with shipments of virgin news-  
18 print; or

19 “(C) by purchasing recycling credits under the  
20 recycling credit system established pursuant to sub-  
21 section (c).

22 “(b) RECYCLING PERCENTAGE.—The Administrator  
23 each year shall establish a recycling percentage for use  
24 under subsection (a). The percentage applicable during  
25 the first year that the requirement established by sub-  
26 section (a) is in effect shall be not less than 20 percent.

1 For each of the ten years thereafter, the recycling percent-  
2 age shall be an additional 2 percentage points higher than  
3 the percentage of the previous year.

4 “(c) CREDIT SYSTEM FOR RECYCLING NEWS-  
5 PRINT.—(1) Not later than 18 months after the date of  
6 the enactment of the Newsprint Recycling Incentives Act,  
7 the Administrator shall promulgate regulations to estab-  
8 lish a system under which (A) producers or importers of  
9 recycled newsprint may create credits for used newsprint  
10 recycling, and (B) producers or importers of newsprint  
11 (virgin or recycled) may purchase such recycling credits  
12 from such recyclers, for purposes of complying with sub-  
13 section (a). The regulations shall include a mechanism or  
14 mechanisms (including an auction) for any allocation of  
15 credits that may be necessary. No person may create such  
16 credits, and no producer or importer of newsprint may  
17 purchase such credits, except in accordance with this sub-  
18 section and the regulations promulgated under this sub-  
19 section.

20 “(2) At a minimum, the regulations under subsection  
21 (c) shall include the following requirements:

22 “(A) The producer or importer of recycled  
23 newsprint shall maintain records of the receipt of old  
24 newsprint and other paper products for de-inking

1 and subsequent recycling. Such records shall be  
2 maintained for at least 2 years.

3 “(B) The producer of recycled newsprint shall  
4 notify the Environmental Protection Agency of the  
5 producer’s capacity to recycle old newsprint. Such  
6 notification shall state the overall newsprint capacity  
7 and that portion dedicated to de-inking and recy-  
8 cling.

9 “(C) The importer of recycled newsprint shall  
10 notify the United States Customs Service of the  
11 amount of newsprint being imported by the im-  
12 porter. Such notice shall be accompanied by a cer-  
13 tification verifying the accuracy of the notice. The  
14 certification shall be made by the official responsible  
15 for negotiating trade agreements of the country from  
16 which the importer is shipping newsprint to the  
17 United States.

18 “(D) Producers or importers of newsprint shall  
19 maintain records of sales of virgin and recycled  
20 newsprint, including quantities and prices of recy-  
21 cled newsprint and sales or other disposition of such  
22 recycling credits as may be used to demonstrate  
23 compliance with the requirements of this section.  
24 Such records shall be maintained for at least 2  
25 years.

1           “(E) Producers and importers of newsprint  
2 shall report to the Administrator of the Environ-  
3 mental Protection Agency annually and on an in-  
4 terim quarterly basis—

5                   “(i) the amount of recycled content news-  
6 print produced or imported each year;

7                   “(ii) the number of credits purchased or  
8 otherwise acquired from other producers or im-  
9 porters; and

10                   “(iii) the number of credits sold or other-  
11 wise distributed to other producers or import-  
12 ers.

13           “(3) The Administrator may include such other re-  
14 quirements in the regulations under paragraph (1) with  
15 respect to qualifications for recyclers, importers, and pro-  
16 ducers; methods for auditing compliance with the system;  
17 and enforcement of the system; as the Administrator con-  
18 siders necessary or appropriate for administering the recy-  
19 cling credit system established under this subsection.

20           “(4) For purposes of this section, the term ‘recycling  
21 credit’ means a legal record of a recycling activity under-  
22 taken in accordance with this subsection that represents  
23 an amount of newsprint recycled through de-inking for  
24 purposes of complying with this section.

1       “(d) REPORTS.—(1) Not later than 6 years after the  
2 date of the enactment of the Newsprint Recycling Incen-  
3 tives Act, the Administrator shall submit to Congress an  
4 interim report on the implementation of this section. The  
5 report shall include, at a minimum—

6               “(A) a discussion of the effects of the require-  
7 ments of this section on the newsprint and news-  
8 paper industry and on the environment; and

9               “(B) an evaluation of the level of the recycling  
10 percentage under subsection (b) and recommenda-  
11 tions on whether, and at what rate, the percentage  
12 should be increased in future years above the per-  
13 centage applicable under subsection (b).

14       “(2) Not later than 10 years after such date, the Ad-  
15 ministrator shall submit to Congress a final report on the  
16 implementation of this section. The report shall include  
17 an updated version of the discussion and evaluation re-  
18 quired in the interim report, as well as such other findings  
19 and recommendations with respect to the implementation  
20 of this section as the Administrator considers appropriate.

21       “(e) APPLICABILITY.—This section applies to any  
22 person who produces or imports more than 10 tons of  
23 newsprint a year.

24       “(f) REGULATIONS.—The Administrator shall pro-  
25 mulgate regulations to implement this section not later



1 than 18 months after the date of the enactment of the  
2 Newsprint Recycling Incentives Act. If the Administrator  
3 fails to promulgate such regulations by that date, the recy-  
4 cling percentage under subsection (b) shall be 20 percent  
5 until such time as the regulations are promulgated.

6 “(g) CIVIL PENALTY.—

7 “(1) Whoever violates this section shall be liable  
8 to the United States for a civil penalty in an amount  
9 not to exceed \$2,500 for each such violation. Such  
10 civil penalty shall be assessed by the Administrator  
11 of the Environmental Protection Agency by an order  
12 made on the record after opportunity for a hearing  
13 in accordance with section 554 of title 5, United  
14 States Code. Before issuing such an order, the Ad-  
15 ministrator shall give written notice to the person to  
16 be assessed a civil penalty and provide such person  
17 an opportunity to request, within 15 days of the  
18 date the notice is received by such person, a hearing  
19 on the order.

20 “(2) In determining the amount of a civil pen-  
21 alty, the Administrator shall take into account the  
22 nature, circumstances, extent, and gravity of the vio-  
23 lation or violations and, with respect to the violator,  
24 ability to pay, effect on ability to continue to do  
25 business, any history of prior violations under this

1 section, the degree of culpability, and such other  
2 matters as justice may require.

3 “(3) The Administrator may compromise, mod-  
4 ify, or remit, with or without conditions, any civil  
5 penalty which may be imposed under this subsection.  
6 The amount of such penalty, when finally deter-  
7 mined, or the amount agreed upon in compromise,  
8 may be deducted from any sums owing by the  
9 United States to the person charged.

10 “(4) Any person who requested in accordance  
11 with this subsection a hearing respecting the assess-  
12 ment of a civil penalty and who is aggrieved by an  
13 order assessing a civil penalty may file a petition for  
14 judicial review of such order with the United States  
15 Court of Appeals for the District of Columbia Cir-  
16 cuit or for any other circuit in which such person re-  
17 sides or transacts business. Such a petition may only  
18 be filed within the 30-day period beginning on the  
19 date the order making such assessment was issued.

20 “(5) If any person fails to pay an assessment  
21 of a civil penalty—

22 “(A) after the order making the assess-  
23 ment has become a final order and if such per-  
24 son does not file a petition for judicial review  
25 of the order in accordance with this section, or

1           “(B) after a court in an action brought  
2           under this section has entered a final judgment  
3           in favor of the Administrator,  
4           the Attorney General shall recover the amount as-  
5           sessed (plus interest at currently prevailing rates  
6           from the date of the expiration of the 30-day period  
7           referred to in paragraph (4) or the date of such final  
8           judgment, as the case may be) in an action brought  
9           in any appropriate district court of the United  
10          States. In such an action, the validity, amount, and  
11          appropriateness of such penalty shall not be subject  
12          to review.

13          “(h) HIGH GRADE PAPER RECYCLING.—(1) Not  
14          later than three years after the date of the enactment of  
15          the Newsprint Recycling Incentives Act, the Administrator  
16          shall submit to Congress a plan, based on the experience  
17          with the implementation of this section, for the recycling  
18          of post-consumer high grade paper. The plan shall discuss  
19          the desirability and feasibility, in terms of environmental  
20          impacts resulting from reduced volume and economic im-  
21          pacts, of requiring the recycling of such paper, and the  
22          specific manner in which such recycling could be accom-  
23          plished if the Administrator concludes that such recycling  
24          is feasible. The plan also shall include an incentive-based

1 method or methods for accomplishing the recycling, such  
2 as a credit system (as established under subsection (c)).

3 “(2) Not later than one year after the plan is submit-  
4 ted under paragraph (1), the Administrator shall begin to  
5 implement the plan. For purposes of implementing the  
6 plan, the Administrator is authorized to carry out any of  
7 the methods for accomplishing the recycling of the paper  
8 that are included in the plan.

9 “(3) For purposes of this subsection, the term ‘high  
10 grade paper’, means printed or unprinted sheets, shavings,  
11 guillotined books, quire waste, and cuttings of sulphite or  
12 sulphate ledger, bond, and writing paper (and all other  
13 papers which have a similar fiber and filler content).

14 (b) TECHNICAL AMENDMENT.—The table of contents  
15 for subtitle D of the Solid Waste Disposal Act (contained  
16 in section 1001 of such Act) is amended by adding at the  
17 end thereof the following:

“Sec. 4011. Newsprint recycling requirements.”.

18 **SEC. 5. AUTHORIZATION.**

19 There is authorized to be appropriated to the Admin-  
20 istrator of the Environmental Protection Agency  
21 \$1,200,000 to carry out section 4011 of the Solid Waste  
22 Disposal Act (as added by section 3). Such funds shall  
23 be used to hire the equivalent of at least six additional  
24 full-time employees to carry out such provisions. Such  
25 funds shall remain available until expended.

