

METRO 2025 LEGISLATIVE ISSUE IDENTIFICATION

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ISSUE: Recycling Modernization Act Protection

BACKGROUND:

Over the last decade, Oregon's recycling system has been under strain. Several factors are behind that:

- **Materials:** Changes in what producers are putting on the market and therefore what ends in the recycling bin has created problems. This includes less newsprint and new packaging types that are often difficult or not possible to recycle.
- **Contamination:** Increased contamination in the recycling bin due to several factors: fragmented collection and processing systems lacking economic incentives to ensure clean material; arrival of new types of plastic packaging causing consumer confusion, and lack of producer communication to the public about what's recyclable.
- **Recycling markets:** A long-term reliance on foreign markets was upended. First, in 2006, by the Chinese "Green Fence" policy. And more recently, the 2017 "Chinese Sword" effort by China's government to reduce waste imports and severely restrict recyclable material flowing into China from the west.
- **Material recovery facilities:** Recycling material recovery facilities (MRFs) in the region have struggled to keep pace with the evolving technologies and require significant investments to modernize their processing equipment.

In response to these issues, governments have taken steps. Local governments raised rates to cover the increased costs to operate recycling programs. Metro has been leading and/or participating in efforts to reduce contamination (e.g. Recycle or Not Website). DEQ established a statewide Recycling Steering Committee, leading to the passage of SB 582 (2021), the Recycling Modernization Act (RMA).

The RMA is set to be implemented by DEQ and the Producer Responsibility Organization (PRO) July 1, 2025. DEQ has worked over the last 3 years to administratively prepare for RMA implementation. They undertook multiple rulemakings (which Metro participated in), established the Recycling Council, and reviewed PRO plans for implementation. Full RMA implementation is critical to realizing the benefits from this historic modernization of the state's recycling system. Unfortunately, staff anticipates multiple legislative attempts this session to delay or repeal RMA.

RECOMMENDATION:

Support legislation that protects the Recycling Modernization Act's core tenants and its start date of July 1, 2025.

LEGISLATIVE HISTORY:

SB 582 (2021): the Recycling Modernization Act will modernize recycling in Oregon and create the first ever plastic, paper and packaging extended producer responsibility program in the U.S. It is set to go into effect on July 1, 2025.

HB 4013 (2024): Wine bottle recycling will be covered by the RMA on July 1, 2025. HB 4013 would have provided a 1-year extension to wine bottles being covered by the RMA or the Bottle Bill. It did not pass.

OTHER INTERESTED PARTIES:

Key parties with a high level of interest include local governments both individually and through the League of Oregon Cities (LOC) and the Association of Oregon Counties (AOC); persons and companies in the solid waste and recycling field both individually and through the Oregon Refuse and Recycling Association (ORRA) and the Association of Oregon Recyclers (AOR); the Oregon Department of Environmental Quality; Environment Oregon; Businesses individually and through Circular Action Alliance, Oregon Business and Industry, and Food Northwest.

IMPACT IF PROPOSED ACTION OCCURS:

If the RMA is untouched, the region and the state will see the following impacts in 2025 and beyond:

- An EPR for PPP program will provide for a more sustainably managed and financially sound state and regional recycling system.
- Supports the Metro Council's legislative principles and the Regional Waste Plan's promotion of producer responsibility, including reducing the lifecycle impacts of products and their packaging.
- Assists Metro in preserving natural resources and protecting the environment.
- Provides an opportunity to promote greater equity in the provision of recycling services across the region and state.

RACIAL EQUITY IMPACTS

The RMA includes multiple provisions intended to result in more equitable outcomes for Oregon's recycling system. If the RMA remains untouched and implemented, it will expand access to recycling services and improve worker conditions across the state. In areas of the state that do not currently have recycling services (rural, eastern Oregon) the RMA will help fund and support needed access improvements. Access to recycling drop-off facilities will also

greatly expand across the state, providing more access to households that do not traditionally have access to curbside recycling or have to transport recyclable materials to more distant locations. The RMA also requires groundbreaking consideration of living wages for material recovery facility workers – ensuring that the workforce often most disadvantaged in the recycling system is being adequately compensated.

CLIMATE IMPACTS

In Oregon, we recycle more than 1.4 million tons of material, which yields a reduction of 2.9 million metric tons of CO2 equivalent emissions. These reductions would be comparable to taking 690,000 car and their tailpipe emissions off the road each year. We know recycling works. However, our system is currently in need of the modernization that will be delivered by the RMA. Responsible end markets for recyclable materials are essential to maintaining and ensuring that we realize the benefits of recycling, for both the climate and human health.