STAFF REPORT

WASTE PREVENTION AND ENVIRONMENTAL SERVICES: OREGON RECYCLING MODERNIZATION ACT

Date: September 20, 2023 **Department:** WPES

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(she/her) and Jill Hrycyk (she/her)

Length: 45 minutes

ISSUE STATEMENT

During the creation of the FY23-24 budget, Council directed the Waste Prevention and Environmental Services (WPES) department to provide ongoing education about fees and regional waste priorities to inform future Council direction on the annual WPES budget and regional waste fees.

In response, the department refined its Council engagement strategy to include additional touchpoints to review technical information to support key decisions and seek additional guidance on Council priorities. These engagements will also provide additional context to support Council decisions on the Garbage and Recycling System Facilities Plan that will provide direction on future infrastructure investments. The engagements to date have focused on the review of the regional waste outcomes, progress, levers for advancing change and direction on Council priorities.

This work session is the opportunity for Metro Council to get an update on the implementation of the Oregon Plastic Pollution and Recycling Modernization Act that passed in 2021, and how Metro staff are engaging in implementation and intersections with the Garbage and Recycling Systems Facilities Plan.

ACTION REQUESTED

No formal action is requested. This informational session will support Council actions in adopting the WPES 2024-25 budget, adopting a Systems Facilities Plan, and other policy actions.

DISCUSSION QUESTIONS

- Are there topics the Council would like to consider for future state legislative positions with regard to the Recycling Modernization Act?
- Does the Council have any questions or feedback regarding the Recycling Modernization Act?

STRATEGIC CONEXT

Overview

The Plastic Pollution and Recycling Modernization Act (RMA) or Senate Bill 582 will update Oregon's outdated recycling system by building on local community programs and leveraging the resources of producers to create an innovative system that works for everyone. The Oregon

legislature passed the legislation in 2021 and the Department of Environmental Quality must implement the new system by July 1, 2025.

SB 582(2021) promised modernization of Oregon's recycling system. The bill acknowledges that our recovery rates have declined in recent years, that our solid waste systems have changed in the 35 years since our first recycling programs were established, and that it is the obligation of producers to help modernize our system for the Oregon of today and tomorrow. The Act includes millions in new producer funding to address contamination and educate consumers about what is included in our recycling programs. These new, robust resources will help drive down existing challenges with contamination, and support consumer facing education.

The Recycling Modernization Act does three things:

- 1. Increased responsible recycling through performance standards and responsible end markets; equity considerations around fair wages and equity study; and increased collection to people who live in multifamily properties.
- 2. **Extended Producer Responsibility (EPR).** Producers and manufacturers of packaging, paper products and food serviceware will pay for many necessary improvements and help ensure Oregon's materials are recycled successfully. Additionally, the Oregon Recycling System Advisory Council (Recycling Council) is created under Recycling Modernization Act. The Recycling Council will make recommendations to both the Department of Environmental Quality and the Producer Responsibility Organizations (PROs) on a variety of topics and submit a report to the Legislature every two years. The bill requires the DEQ and PROs to respond to written recommendations from the Recycling Council
- 3. **Uniformity in collected materials.** The Recycling Modernization Act will create two collection lists, a uniform statewide collection list and a PRO list, that will allow individuals and businesses to recycle the same items across the state. Some materials may shift from home collection to a recycling depot or another collection to reduce contamination, support more recycling and ensure materials go to responsible end markets.

In this multi-year implementation process of the Recycling Modernization Act, Department of Environmental Quality has developed a series of stakeholder engagements with local governments, community-based organizations, collection service providers, processors and material end users, and producers of covered products and producer trade associations and suppliers. Metro staff have served on many rulemaking advisory committees related to Recycling Modernization Act and Pam Peck was elected chair to the Recycling Council, which advises the Department of Environmental Quality and the Producer Responsibility Organizations (PROs) on key recycling system elements and draft rules.

Metro Role

Metro's role in Recycling Modernization Act implementation is to represent the needs of our communities and advance regional policies and Metro Council priorities in the rulemaking process. Metro also plays a key coordination role and is in close discussion with area local governments to ensure we provide consistent and complementary feedback to the state. A shared statement was developed to provide a foundation for comments, see below. This was guided by the 2030 Regional Waste Plan, Metro Council priorities, conversations with the Regional Waste Advisory Committee and local governments, and feedback staff heard during the Systems Facilities Plan engagements.

Shared Position Statement

Oregon's recycling system was created decades ago and was not built for the items we put in the recycling bins today. Many of the items produced and sold today are difficult and expensive to recycle, and we lack assurances they are being recycled responsibly. Adding to this challenge, many people in Oregon lack adequate access to recycling, and the public is confused about what should and should not go in the recycling bin.

Greater Portland wants a modern recycling system that delivers what our communities have been asking for.

- Provide residents, visitors and businesses the opportunity to recycle more than our current system and ensure they can have trust and confidence that materials are managed responsibly.
- Communicate information that is culturally responsive and relevant, easy-tounderstand and accessible in multiple formats and languages.
- **Address barriers** especially for people who live in apartments and people with low incomes such as access to reliable transportation, limited English proficiency, mobility issues and disabilities and ensure that recycling is convenient, accessible, equitable and efficient.
- Grow capacity for communities and local governments to **support and encourage upstream waste prevention efforts** such as reuse and repair.
- **Leverage producer support** to move the cost of the recycling system to producers and not increase rates for the public. This includes investments to address contamination at material recovery facilities and public-facing education.
- **Invest in a stable and resilient system** that has the least disruptions to operations and produces high quality materials that meet the specifications of multiple responsible end markets.
- Ensure items are sent to responsible end markets where people work in safe conditions and are paid wages and benefits that support their families, and items are recycled with the least amount of social and environmental impacts. The system should also support ongoing verification and the development of responsible end markets in Oregon and the Northwest.

BACKGROUND

In 2018, the Department of Environmental Quality established a Recycling Steering Committee to investigate updating and modernizing Oregon's recycling system. The Recycling Steering Committee was comprised of representatives from local governments, including Metro, waste and recycling hauling companies, recycling processing facilities, and others. The Recycling Steering Committee provided an opportunity to inform stakeholders on issues and options that could go into modernizing Oregon's recycling system. At the outset, the Department of Environmental Quality communicated to the Recycling Steering Committee that the Department of Environmental Quality, through the Governor's office, hoped to propose legislation to modernize the system in the 2021 legislative session.

The Recycling Steering Committee process concluded with a consensus proposal. The proposal represents the best efforts of the Committee to identify a set of concepts agreed on by the participants. Most notably, the proposal would establish an Extended Producer Responsibility (EPR) system for packaging and paper products.

Extended Producer Responsibility (EPR) for packaging and paper products has been widely adopted across the world including in Europe and Canada. Maine, Colorado and California have also adopted Extended Producer Responsibility for packaging and paper products while other states, including Washington, are looking at packaging Extended Producer Responsibility. Extended Producer Responsibility for packaging and paper products legislation has also been introduced at the federal level. A producer responsibility program for packaging and paper products builds on the long legacy of Oregon's successful "Opportunity to Recycle Act" (1983). Producer responsibility programs in Oregon for electronic waste (recently updated in 2023) and paint have been very beneficial for Oregon residents. Oregon also has a program requiring take-back of medicines passed bythe Legislature in 2019, and in 2022 a mattress EPR program passed the Oregon Legislature.

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); and producers to be affected by this EPR program. Environmental and public interest groups focused on the issue include Environment Oregon, Surfrider, Peak Plastics Foundation, Oceana and Willamette Riverkeeper.

ATTACHMENTS

N/A

[For work session:]

- Is legislation required for Council action? ☐ Yes X No
- If yes, is draft legislation attached? ☐ Yes X No
- What other materials are you presenting today? Legislative issue sheets

ⁱ Product Stewardship Institute Report on EPR for PPP