

February 19, 2021

Scott Cassel
Chief Executive Officer/Founder

Board of Directors

Tom Metzner – **President** CT Dept. of Energy and Environmental Protection

Scott Klag – **Vice President** Metro, OR

Jennifer Semrau – **Treasurer** WI Dept. of Natural Resources

Mallory Anderson Hennepin County, MN

Elena Bertocci
ME Dept. of Environmental Protection

Abby Boudouris
OR Dept. of Environmental Quality

Jennifer Heaton-Jones Housatonic Resources Recovery Authority, CT

Jennifer Holliday Chittenden Solid Waste District, VT

Kate Kitchener NY City Dept. of Sanitation

Cathy Jamieson VT Dept. of Environmental Conservation

Andrew Radin Onondaga County Resource Recovery Agency, NY

Joe Rotella RI Resource Recovery Corporation

Patrick Riley OK Dept. of Environmental Quality

Honorary Directors

Sego Jackson Seattle Public Utilities, WA

Walter Willis Solid Waste Agency of Lake County, IL Senator Lee Beyer, Chair Senator Lynn Findley, Vice-Chair Senate Committee on Energy and Environment Oregon State Legislature 900 Court Street NE Salem, Oregon 97301

RE: Support for SB 582-1, An Act relating to modernizing Oregon's recycling sys

Dear Chair Beyer, Vice-Chair Findley, and Members of the Committee:

Thank you for the opportunity to submit testimony in **general support** of SB 582-1 to enact an extended producer responsibility (EPR) program for packaging and paper in Oregon. This bill incorporates provisions from HB 2065 to enact an EPR program with funding from producers, ensure equitable statewide recycling access, modernize Oregon's recycling system, and invest in studies on equity within the domestic and international recycling sectors. PSI recommends that the bill would be further strengthened by covering the full costs of municipal collection.

Over the past 20 years, the Product Stewardship Institute (PSI) and our members have played a significant role in passing most of the 119 U.S. extended producer responsibility (EPR) laws on 14 products in 33 states. This includes the three EPR laws in Oregon for paint, electronics, and pharmaceuticals. Based on two decades of rigorous research and practice, we believe that EPR is critical to save Oregon residents tens of millions of dollars annually in waste recycling and disposal costs while dramatically increasing access to recycling across the state.

An EPR system for paper and packaging will create recycling jobs, reduce waste and greenhouse gas emissions, and address the inequitable environmental and health impacts of our current waste system. SB 582-1 contains many of the standard elements of successful EPR programs, including a producer responsibility organization (PRO), a stewardship plan, PRO fees that incentivize environmental performance, annual reporting, and third-party audits (see attached diagram). Municipalities would retain control of their current recycling programs and receive payments from producers for some of their costs. Producer funding would also cover state oversight and enforcement of the program. Importantly, small producers would be exempt – those with less than \$1 million in gross revenue or who supply less than one ton of covered materials to Oregon residents per year.

The need for a new recycling approach has never been clearer. With staffing and budget disruptions caused by the COVID-19 pandemic and commodity prices at all-time lows due to the loss of export markets, local governments are struggling to maintain recycling programs. Communities in Oregon have faced overwhelming increases in residential waste volumes, compounding already-high rates of contamination due to consumer confusion over complex packaging and inconsistent program guidelines. There is currently little incentive for the system to change. To drive real transformation, funding for recycling must come from the producers who benefit from the sale of packaging and paper products. Producers are in the best position to make design choices regarding what materials to use for their packaging and paper products, and to source recycled content.

Under the current system, producers are unfairly burdening taxpayers with the increasing costs of managing paper and packaging waste. Low-income communities and communities of color are disproportionately affected by the health and environmental impacts of increased landfilling, incineration, and litter, and lack equitable access to recycling and safe green jobs. SB 582-1 includes significant provisions to promote an equitable system. It includes studies on social equity in the recycling system, a culturally responsive education and outreach program, and the expansion of infrastructure to reach multi-family residential homes currently lacking recycling collection service. The bill would also establish new requirements for commingled recycling processors that ensure worker health and safety, livable wages and supportive benefits, and the delivery of recyclable materials to responsible end markets that minimize environmental and social harm, both domestically and abroad.

PSI works closely with 47 state environmental agency members, hundreds of local government members, and over 120 partners from businesses, universities, organizations, and international governments. We have worked over the past 15 years to promote packaging EPR in the U.S. and created a packaging EPR model that informed packaging discussions in Oregon that resulted in several of the current bills. Our model has also shaped the EPR policy at the center of the federal Break Free from Plastic Pollution Act, which will be reintroduced this year by U.S Senator Jeff Merkley and U.S. Representative Alan Lowenthal to reduce packaging waste, as well as emerging packaging bills in Washington, Maryland, Vermont, New York, Massachusetts, and other states around the country.

We urge you to support **SB 582-1** for the financial and environmental health of Oregon's economy. If you have any questions, please feel free to contact me at (617) 236-4822, or Scott@ProductStewardship.US.

Please refer to the attached graphic, 'MODERNIZING OREGON RECYCLING: SB 582-1', for further details.

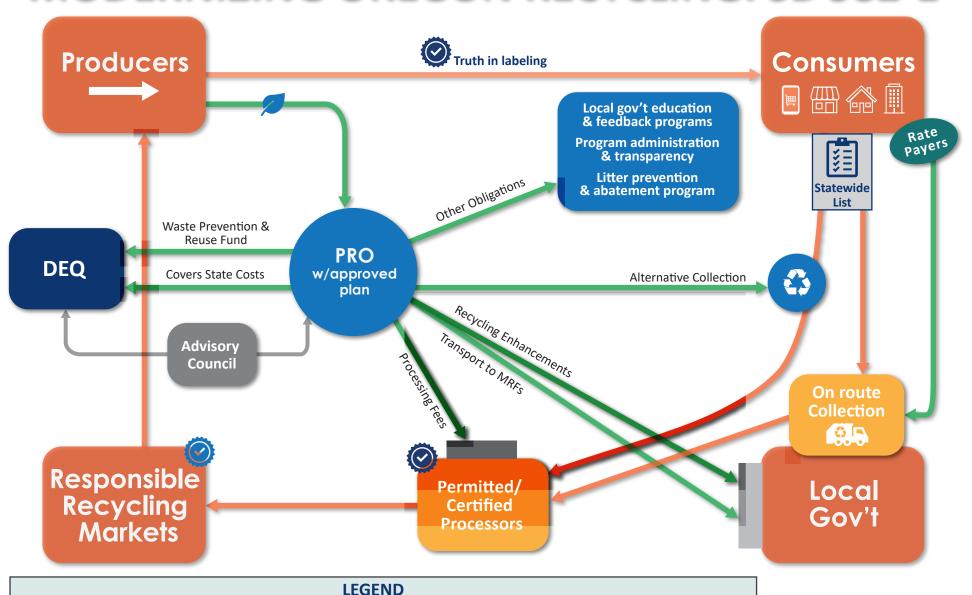
Sincerely,

Scott Cassel

Scott Cassel

Chief Executive Officer/Founder

MODERNIZING OREGON RECYCLING: SB 582-1



DEQ - Department of Environmental Quality

PRO - Producer Responsibility Organization

O Indicates a verification or certification process

Review process

Indicates flow of materials

Indicates flow of money

Tenual control in producer fee structure

