

Feb. 11, 2026

## Circular Action Alliance Oregon Opposes HB 4030

Chair Lively, Vice-Chair Gamba and Levy and Members of the Committee:

Thank you for the opportunity to provide written testimony.

Circular Action Alliance Oregon (CAA) is the state-approved nonprofit Producer Responsibility Organization (PRO) implementing Oregon's Extended Producer Responsibility (EPR) program for packaging under the Recycling Modernization Act (RMA). CAA works on behalf of producers across the food, beverage, consumer goods and retail sectors to deliver a harmonized, effective and circular recycling system for Oregon communities.

CAA appreciates the Legislature's leadership on recycling modernization. However, **HB 4030, as drafted, would undermine the goals of the RMA** and for that reason, **CAA respectfully opposes the bill.**

### Summary of Opposition

1. **The bill's broad exemptions would shift significant system costs to the remaining producers of similar packaging types.** This is contrary to CAA's primary principles of producer fairness.
2. **The exemptions contradict the goals and design of Oregon's RMA,** creating category-based inconsistencies that undermine long-term planning.
3. **The timing of the proposed exemptions is not practically implementable,** falling directly during the legally required producer reporting and fee-setting process.
4. **The exemptions extend to some materials currently being recycled or slated for curbside acceptance,** impeding Oregon's progress toward higher recycling rates and stronger circularity.
5. **An interruption will have financial impacts on haulers, recycling facilities and communities** who have invested in infrastructure and equipment.

### Opposition to HB 4030 as Written

HB 4030, as written, would exempt large categories of packaging, specifically berry clamshells and non-compostable protein packaging, without reducing system costs or obligations. Exempting these materials would shift costs to fewer producers using functionally identical packaging, increasing fees and undermining producer fairness.

The RMA is intentionally structured around material type, not product content. HB 4030 reverses that approach, creating confusion, inconsistency and long-term instability. Other EPR states, including California, have largely avoided such product-based exemptions to preserve system integrity.

The bill's **effective date is also unworkable.** It would take effect 91 days after the end of session, in the middle of CAA's legally required producer reporting and fee-setting period.





This would force delays or lead to incomplete data submissions, creating compliance risks for both producers and the program at large.

Finally, HB 4030 **slows progress just as Oregon is seeing results**. CAA and its partners are actively investing in recycling infrastructure, education and expanded material acceptance, including efforts to on-ramp PET thermoforms, a material type that includes berry containers and meat trays. Exempting these materials now would reduce incentives for continued improvement and reverse momentum.

## Opposition to Proposed Amendments

### -1 Amendment

CAA has frequently raised concerns about the inclusion of business-to-business packaging materials, which are exempt in most other jurisdictions. However, we want to ensure that changes of this scope do not impact the stability of the program and are well thought through. As written, this amendment would exclude any primary, secondary and tertiary packaging used in business-to-business transactions. This would include many materials that enter the commingled recycling system and contribute costs to the recycling system as a whole. Exempting producers from reporting any covered products used in business-to-business transactions would leave a large portion of the commingled materials unaccounted for and transfer those system costs to a smaller subset of producers.

CAA is prepared to work with the Legislature to explore narrowly tailored language that provides specific exemptions for specialty packaging. CAA is also committed to harmonizing Oregon's covered products with other EPR states where feasible, while ensuring that costs generated by businesses in the commingled system are not disproportionately shifted onto a subset of producers.

The amount of commercially generated material entering the commingled recycling stream is still unknown and needs to be assessed before moving forward with broad exemptions.

### -5 and -9 Amendments

We are grateful for the effort to narrow the scope of the exemption for packaging used for meat, poultry, fish and seafood to "raw" and "not ready to eat" products. However, due to the short timeline, CAA has been unable to assess the impact that this change will have on the program. We do not know how much of this material is supplied into Oregon or how much is currently being recycled by consumers, and we have not directly heard from service providers on their concerns with managing the materials. As a result, it would be helpful to better understand these factors before a decision is made.

While we have not surveyed producers, our understanding is that a number of companies have made public commitments to produce more recyclable packaging formats used for raw meat, poultry, fish and seafood products.





CAA acknowledges design for recycling principles may not be feasibly applied to some items, and those items may be candidates for exemption consideration. CAA believes this should be further explored so a statutory solution that specifically targets those packaging formats can be addressed. CAA does not believe the impacts of the current amendment can be fully considered, to ensure the guiding principles of producer fairness and system modernization, during this short session.

### **-6 Amendment**

Suspending the program now only to have it restart months later would create additional costs, have negative impacts on the recycling system and call into question the validity of not only this EPR program but also other EPR programs operating successfully in the state.

The financial impacts from a program pause could cause CAA to trigger force majeure provisions in its contracts and make restarting the program uniquely challenging while **causing harm to haulers, recycling facilities and communities.**

- Recycling facilities have already made **\$165 million in investments** over the last year and a half based on projected funding from the RMA.
- Recycling facilities **operate on thin margins** (typically 3-7%) and depend on the Processor Commodity Risk Fee paid by CAA to offset market volatility.
- Haulers would be required to absorb transportation costs without reimbursement during the pause, resulting in **potential service disruptions.**
- **Local governments must continue paying** haulers, facility operators and staff using general funds. Small and rural communities with limited budgets could face an acute cash flow crisis.

The **RMA is already successful and is producing the intended benefits** for haulers, recycling facilities, local governments and Oregonians, particularly in rural communities. **This is not the time to halt progress.**

To date, CAA has:

- Funded more than **\$17.4 million** in recycling facility upgrades to improve performance and stabilize community collection rates
- Distributed over **310,000 educational items** at no cost to communities to help residents better understand recycling
- Opened **20 RecycleOn Centers** to expand access for materials not accepted curbside
- Ordered **14 new recycling trucks** and more than **50,000 recycling bins** to expand service in underserved areas at a cost of nearly **\$9.5 million**
- Provided more than **\$1.4 million** in transportation reimbursements to help communities move recyclables to market without raising rates





## Conclusion

While CAA appreciates the Legislature's commitment to improving recycling outcomes, **HB 4030, as written, and the -6 amendment would both undermine the effectiveness, fairness and stability of the RMA.** Additionally, the short session provides **insufficient time to properly assess the impacts of the -1, -5 and -9 amendments.**

Given the degree of unknowns related to the changes, CAA is concerned about:

- Shifting costs onto remaining producers
- Creating unfair, product-based inconsistencies
- Disrupting statutory reporting and fee-setting timelines
- Removing materials already in use or planned for future acceptance
- Stopping an objectively successful program
- Interrupting anticipated/needed funding earmarked for communities that have made investments
- Eroding public trust and faith in EPR programs

For these reasons, CAA respectfully urges the Committee to **oppose HB 4030 and these amendments.**

Thank you,

A handwritten signature in black ink that reads "Kim Holmes".

**Kim Holmes**  
Executive Director  
Circular Action Alliance Oregon

