

# Oregon Department of Environmental Quality Funding for Recycling Processors under the Recycling Modernization Act

Plastic Pollution and Recycling Modernization Act (SB 582, 2021) Rulemaking Advisory Committee Meeting 4, Rulemaking 2

Jan. 3, 2024

## Background

Under the Recycling Modernization Act, DEQ will establish two new fees for the facilities that process recyclable material from communities across the state. These facilities are called commingled recycling processing facilities or CRPFs. Below are descriptions of incomes CRPFs will receive: the new Contamination Management Fee and the Processor Commodity Risk Fee, existing tip fees and the updated sales of recyclable materials to responsible end markets.

Processor Commodity Risk Fee	A per-ton fee paid to recycling processors by PROs to ensure producers share in the costs of fully processing commingled recyclables that are covered products. The statewide average portion of the fee is set in rule, and the average commodity value portion will be updated monthly by DEQ.
Tip fees	A per-ton fee paid to recycling processors by ratepayers to help cover the cost of processing recyclable material. Garbage and recycling collection companies factor the tip fee into the fee they charge customers. The Processor Commodity Risk Fee will attempt to lower this per-ton gate cost to \$0 over time.
Sales of recyclable materials to responsible end markets	Income paid to recycling processors by responsible end markets in exchange for quality material.
Contamination Management Fee	A per-ton fee paid to recycling processors by PROs to compensate processors for the costs of removing and disposing of covered products not on the statewide collection list which show up at the recycling facility. The fee is set in rule and adjusted periodically for inflation.

#### What the fees help cover



The funds from the above fees will be used to help cover the below costs at CRPFs, including:

- Operating and administrative costs
- Meeting new permit/certification program requirements

### Outcomes of these new and updated fees include:

- Living wages and supportive benefits for CRPF workers
- Higher-quality outgoing bales with less contamination
- Transparency reporting of responsible end markets

#### Non-discrimination statement

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