Plastic Pollution and Recycling Modernization Act Rulemaking #2

Environmental Quality Commission Meeting

Nov. 21-22, 2024



About Materials Management

The 2050 Vision describes how people in Oregon:



Produce and use materials



Conserve resources



Protect the environment



Live well

Materials Management in Oregon

2050 Vision and Framework for Action





Product Stewardship



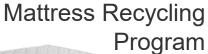






Printed paper, packaging and food serviceware







Recycling Modernization Act: Roles



Producers



Producer responsibility organization



Local government



Service providers



Recycling facilities



Responsible end markets

Oversight and integration





Rulemaking 2 Process

17

Representatives from local governments, service providers, recycling processors, community-based organizations, producers and prospective PROs

8

Rulemaking Advisory Committee meetings between July 2023 and April 2024

20

Rule topics presented to the RAC

Public Comment Period

Public comment period

- Opened: May 29, 2024
- Closed: July 26, 2024, at 4 p.m.

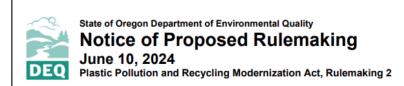
Virtual public hearings

- June 27, 2024, at 11 a.m.
- June 27, 2024, at 5 p.m.



Public Comments Received

- 76 entities
- 400+ distinct comments



This package contains the following documents:

- Notice of Rulemaking
- Draft Rules Edits Highlighted
- Draft Rules Edits Included (final clean version)

Note for readers

This package contains multiple documents. If you want to read more than one document at a time, you can open multiple copies of this PDF by downloading the PDF and then opening it in Adobe. You can then either:

- · Click on the "Windows" item in the top ribbon
- Click on "New Window"
- A second copy of the PDF will open in a new window

Or:

- Click on "File" in the top ribbon
- Click on "Open" in the top ribbon
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- A second copy of the PDF will open in a separate tab in the same window



What these rules will accomplish



Proposed Rules

Chapter 340, Divisions 12, 90, 93, 96 and 97

- Enforcement Procedure and Civil Penalties (Division 12)
- Recycling and Waste Reduction (Division 90)
 - Local Government Obligations
 - PRO Obligations
 - Covered Products
 - PRO Reporting
 - Producer Obligations
 - Standards for Life Cycle Evaluations
- Recycling Processor Obligations (Divisions 93 and 96)
- Solid Waste Permit Fees (Division 97)

A Division 90 - RECYCLING AND WASTE REDUCTION RECYCLING AND WASTE REDUCTION 340-090-0005 Purpose 340-090-0010 Definitions 340-090-0015 Scope and Applicability 340-090-0020 Opportunity to Recycle 340-090-0030 General Requirements 340-090-0040 Local Government Recycling Program Elements

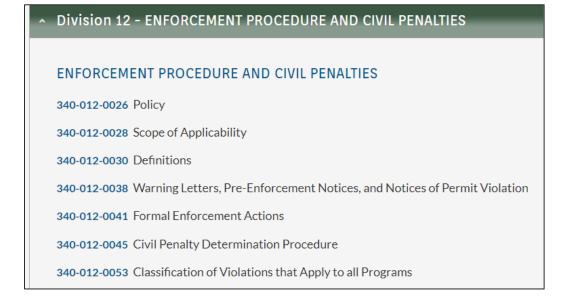
Enforcement Procedures and Civil Penalties



Enforcement Procedures and Civil Penalties

OAR 340-012-0045 to OAR 340-012-0140

Update Division 12 enforcement rules to address violations of the Recycling Modernization Act



Local Government



Local Government Obligations

OAR 340-090-0030

Multifamily recycling enclosures

- Clarifies requirements and timeline for compliance
 - Submit implementation plan by Nov. 1, 2027
 - Initiate implementation by July 1, 2028



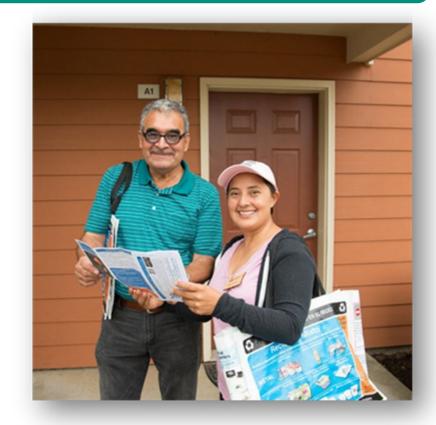
PRO Obligations



PRO Obligations: Local Government Compensation

OAR 340-090-0810

- Define eligible costs for evaluation of contamination
- Clarify funding calculation and advanced funding for contamination reduction programming



PRO Obligations: Fees

OAR 340-090-0690

Waste Prevention and Reuse Fee

- Establishes new fund to support waste prevention and reuse of covered products
- Lower of either \$15 million or 10 percent of the three-year average of the program budget



Milk dispenser (replaces single-use packaging)



PRO Obligations: Fees

OAR 340-090-0820

Processor Commodity Risk Fee

- Ensures producers share in costs of processing commingled recyclables and allows local governments to reduce financial impacts on ratepayers
- Fee = difference between established fee rate and average commodity value multiplied by eligible tons

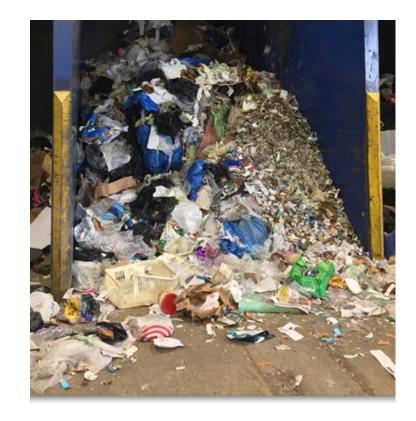


PRO Obligations: Fees

OAR 340-090-0830

Contamination Management Fee

- Compensates CRPFs for costs of removing and disposing of covered products that are contaminants
- CRPFs receive per-ton funding for each ton of eligible covered product contamination landfilled
- CRPFs also receive per-ton CMF funding for material that is marketed separate of USCL material and transported to a REM



PRO Obligations: Other

OAR 340-090-0640 to OAR 340-090-0830

- Responsible End Markets
 - Added disposition reporting requirements for the PRO
- Market Share
 - Aligned reporting years, data years and program years for the calculation of market share and setting of producer fees

Materials Acceptance Lists

- Uniform Statewide Collection List
 - Materials that may be commingled
 - Assessed against 12 statutory criteria
- PRO Recycling Acceptance List
 - Materials PRO must collect
 - Harder to recycle items



Materials Acceptance Lists

OAR 340-090-0630

- Gift wrap stays on the USCL
- Listings of pressurized cylinders and aerosol containers on the PRO Recycling Acceptance List delayed until 2028







Covered Products

Printing and writing paper, packaging, food serviceware



Covered Products

OAR 340-090-0840

- Clarified the definition of food serviceware to better differentiate it from packaging
- Proposed three subcategories of packaging to clarify which packaging-like products are in the scope of the law
- Proposed exemptions for five categories of packaging



Covered Products: Exemptions



Durable packaging for durable goods.



Some ag chemical packaging.



Packaging used in healthcare facilities for the management of infectious waste as defined in ORS 459.386.



Pressurized cylinders: 1) pure H2 or O2, any size; 2) Acetylene,, 10 ft3 and larger; and 3) CO2, 5 lbs. and larger



Class III medical device packaging.

Class II medical device packaging sold labeled sterile and for which a 510(k) premarket notification has been cleared by the FDA.

Producers



Producer Obligations

OAR 340-090-0860 to OAR 340-090-0870

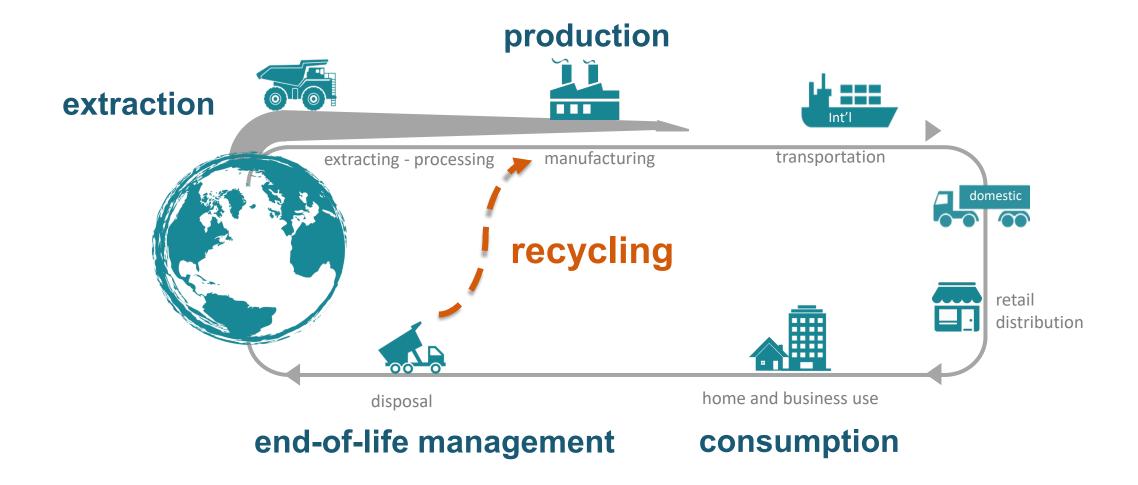
Producer Definitions

- Clarified that manufacturers include entities that direct manufacturing
- Clarified producer definitions for packaging-like products
- Associated producers must lump revenues and tonnages to qualify as large and small producers

Producer Pre-Registration

 Producers must submit 2024 supply data to the PRO by March 31, 2025

Standards for Life Cycle Evaluation



Standards for Life Cycle Evaluations

OAR-340-090-0900 to OAR-340-090-0940

Scope Rules

- Large producer required disclosures
- Two bonuses for voluntary disclosures

Core Product Category Rules

 Life cycle assessment method for producer use for mandated and ecomodulation evaluations

Additional Environmental and Human Health Info Rules

 Require producers to disclose the presence of hazardous substances in their products (in addition to applying the LCA method)

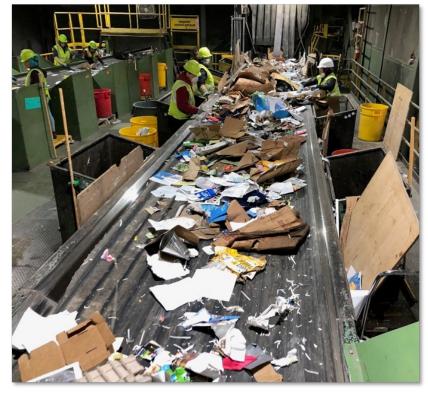
Recycling Processors



Recycling Processor Obligations

OAR-340-096-0300 to OAR-340-096-0840

- Permitting Program
 - Requirements for commingled recycling processing facilities
 - Definition and requirements for limited sort facilities
- Certification program for facilities outside Oregon
- Living wages and supportive benefits



Recycling Processor Obligations – Living Wage

Facility location – state (county)	Calculated hourly living wage
California (Humboldt)	\$25.82
Oregon (Clackamas)	\$31.69
Oregon (Klamath)	\$23.35
Oregon (Lane)	\$26.94
Oregon (Marion)	\$25.76
Oregon (Multnomah)	\$31.90
Oregon (Washington)	\$32.58
Washington (Clark)	\$28.42



Permit Fees

OAR-340-097-0110 to OAR-350-097-0120

Establish permit application fee structure and annual compliance fee for commingled recycling processing facilities and limited sort facilities

- Permit Application Fee: \$100 \$500 based on annual anticipated tons
- Permit Compliance Fee: \$50 \$1,000
 based on annual anticipated tons



Fiscal Impacts of Rules Overview

State
Agencies DEQ

- CRPF Permitting and Certification: Initial assessment of performance standards from permitting and tipping fees
- Administrative costs for Contamination Management Fee and Processor Commodity Risk Fee, paid by the PRO

Local Governments

- Compliance, planning, recordkeeping and reporting costs
- Cost to develop implementation plan for ensuring adequate recycling service and enclosure space at multifamily properties

Fiscal Impacts of Rules

PROs

Fund through producer fees:

- Processor Commodity Risk and Contamination Management Fees
- Waste Prevention and Reuse Fee
- Responsible end market self-attestation and verifications
- Periodic evaluation of contamination and contamination reduction programming

Businesses

Primary impact is through producer fees paid to PRO

Public

DEQ does not anticipate any direct costs on the public

Racial Equity Impacts of Rules

- Positive Impacts:
 - Living Wages and Supportive Benefits
 - Improving the living and working conditions for a demographic of worker that is disproportionately non-white
- Negative Impacts:
 - Indirect impacts from anticipated increase in truck traffic created by increased rates of recycling on residents who live in proximity to recycling facilities

Proposed Motion Language

"I move that the Environmental Quality Commission adopt the proposed rule amendments in Attachment A as part of chapter 340 of the Oregon Administrative Rules."

Thank You!

Rulemaking website



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