State of Oregon
DEQ Department of Environmental Quality

Memorandum

Date: Nov. 3, 2026

To: Environmental Quality Commission

From: Leah Feldon, Director

Subject: Agenda item E, informational item: Recycling Modernization Act Rulemaking 3
Nov. 12, 2026, EQC meeting

Purpose and importance of item

DEQ will present an informational item on a rulemaking related to recycling in Oregon. The proposed rulemaking would make amendments to previously adopted rules and propose a very limited number of new rules, based on updated information and maturation of the program since its implementation began July 1, 2025. DEQ intends to present draft proposed rules on this topic to the commission in January 2027.

Prior EQC involvement

The commission has approved two prior permanent rulemakings for the Recycling Modernization Act. The first, in 2023, established the administrative and structural elements outlined in statute for the new program. The second rulemaking, in 2024, included multiple topics: permitting standards and fees related to commingled recycling processing facilities, living wages and supportive benefits for commingled recycling processing facility workers, generator-facing contamination, covered product exemptions, standards for environmental impact evaluation and disclosure, and a waste prevention and reuse fee.

DEQ presented an informational item on the Recycling Modernization Act to the commission at its July 9-10, 2026, meeting that contained some information about the rulemaking. The commission adopted temporary rules specific to garbage bags and glass packaging at its Sept. 10-11, 2026, meeting. Those temporary rules are included in the proposed permanent rules.

Background

The Oregon Legislature adopted the Plastic Pollution and Recycling Modernization Act in 2021, and DEQ began administrative implementation of the Act in 2022. As noted, this is the third proposed permanent rulemaking related to the Act, and most of the proposed updates are amendments to current rules based on new information learned by DEQ since July 1, 2025, when implementation began statewide for Oregon's modernized recycling system.

Oregon's Recycling Modernization Act established an innovative program for the extended producer responsibility of packaging, printing and writing paper, and food serviceware. In Oregon's model, extended producer responsibility requires the producers of specific goods, known as covered products, to pay into a system that is managed by an external third-party known as a Producer Responsibility Organization. DEQ oversees the operations of the Producer Responsibility Organization and is the regulatory agency responsible for ensuring the PRO's plans and implementation activities align with the objectives of Oregon's laws.

As an Oregon-specific program, there are no related federal authorities or statutes. However, DEQ is proposing some rule amendments that do consider the timelines and programs in other states, like California and Washington, that are now developing similar EPR laws, rules and programs. Oregon is a national leader in extended producer responsibility for packaging, and the third rulemaking will help the program continue its refinements as the system matures.

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Rulemaking 3: Updates, revisions and program development

DEQ is proposing permanent rules related to Oregon's Plastic Pollution and Recycling Modernization Act. The proposed amendments and rule updates clarify the operations and expectations of Oregon's modernized recycling system.

Oregon's modernized recycling system is one part of the Materials Management 2050 Vision and Framework for Action. That document, first approved by the EQC in 2012, and an updated version of the Framework approved in 2020, reflects the goals and values of Oregon for the responsible management of materials used in this state. Recycling is one key system within the broader network of materials management, and the RMA's implementation in 2025 is moving the people of Oregon closer to a desired future where they produce and use materials responsibly, conserving resources, protecting the environment and enhancing well-being.

Throughout the development of the rules, DEQ has engaged with the people and communities most likely to be affected by the outcomes of the rulemaking: local governments, service providers of recycling service across the state, people who represent producers of covered products, technical experts on the management and disposition of the materials collected for recycling in Oregon, people representing communities facing environmental injustices, the nonprofit organization tasked with implementing Oregon's modernized recycling system, small businesses and environmental advocates.

In recognition that recycling is something any person in Oregon might do and is not limited to the entities being directly regulated through statute and rule, DEQ has also added several unique elements to this rulemaking process. Prior to the start of Rulemaking Advisory Committee meetings, DEQ held two informational sessions open to any person interested in the topics. Those sessions provided summary information about what would be considered in scope for this rulemaking and how people could get involved. DEQ has provided time at each RAC meeting, technical workgroup session and relevant Recycling Council meetings for people to provide input. Though these public input sessions are not formal public comment, DEQ considers all feedback during the process and has modified multiple rule concepts due to these engagement and feedback opportunities.

Engagement with the Oregon Recycling System Advisory Council

The Oregon Recycling System Advisory Council is a 17-member council appointed by the Governor for the purpose of advising DEQ, and the PRO, on matters broadly related to recycling in Oregon. Some of these broad authorities include making formal recommendations, providing policy direction and general input through consultation with DEQ and the PRO. In the development of this rulemaking, DEQ consulted with the council on the following topics:

- Materials acceptance lists
- Transportation cost reimbursements
- Covered product exemptions

The recommendations and feedback from the full council, and several subcommittees, were incorporated into the rule concepts developed by DEQ and presented for the Rulemaking Advisory Committee and as part of the draft rule language.

Rulemaking Advisory Committee

DEQ convened an 11-member Rulemaking Advisory Committee for this rulemaking. Rulemaking advisory committee members are appointed by the DEQ Director to serve on a specific committee for the duration of the rulemaking development to ensure that the individuals and communities expected to be affected by the outcome of the rulemaking are given meaningful opportunity to engage in the development of the rules.

The committee was tasked with reviewing and advising DEQ on policy questions related to substantive potential amendments or new rules for this third RMA rulemaking. The group met five times between November 2025 and July 2026, with each meeting held online and open to the public. Each committee meeting agenda included a time-certain opportunity for public input, during which any person could provide verbal input

on the discussion topics and overall rulemaking processes.

At each meeting, DEQ presented draft rule concepts or proposed draft rule language for committee review and discussion. These reviews and discussion included:

- Assignment of producer obligations
- Producer definitions
- Covered product exemptions, and the exemptions process
- Life Cycle Evaluations, including reporting requirements and weightings for categories
- Responsible End Markets
- Recycling Acceptance Lists, both pertaining to local government and PRO collection obligations
- Implementation deadlines for multifamily service rules
- Defining “effectively composted”
- Convenience standards for the PRO, including alternative compliance approvals process
- Transportation cost reimbursement structures and requirements

The committee also reviewed the fiscal impact and racial equity impact statements prepared by DEQ as part of the rulemaking process. Those statements were included in the Notice of Proposed Rulemaking packet issued for public review and comment Sept. 21, 2026. A final draft of the fiscal and economic statements and racial equity statements will be part of the staff report DEQ presents to the commission as part of the final rulemaking proposal.

Other amendments, not representing substantive policy changes or otherwise meriting discussion by the committee, were included as redline proposed changes in the draft rules. More information about the committee, including its membership and meeting materials, is available on the RMA Rulemaking 2026 webpage.

Technical workgroups

In addition to the policy reviews conducted by the RAC, DEQ convened three technical workgroups for specific topics within the proposed rulemaking: definitions for materials “effectively composted”, updates to materials acceptance lists, and changes to glass packaging collection. Each workgroup met with DEQ staff to discuss technical information and provide input to DEQ on the development of potential rule concepts. The technical workgroup meetings were held online and open to the public, and each group provided opportunities for public input. More information about each technical workgroup, including membership and meeting materials, is available online through the RMA Rulemaking 2026 webpage.

Key issues

The policy decisions and proposed amendments represented in the third rulemaking generally respond to issues raised since implementation began in mid-2025. A full list of all proposed amendments is included as the Rules Summary, starting on page 8 of the Notice of Proposed Rulemaking. Some key issues addressed during the rulemaking development are noted below as being of specific interest to the commission.

Ensuring that the Responsible End Market provisions, a key element of the Act, are kept strong while providing clarity on how the system partners could respond when availability of verified responsible end markets fluctuates

DEQ proposed amendments to clarify what information a Responsible End Market must provide as part of its verification process, to ensure accurate reporting. DEQ also proposed amendments to the actions required in case of insufficient Responsible End Markets for materials.

These clarifications provide more demonstrable requirements for REMs, which supports the local and global responsibility of the management of materials recycled in Oregon. These amendments also help establish a safeguard against a repeat of the conditions in the 2010s that resulted in significant damage to Oregon’s

recycling system.

Clarifying definitions of "producer" in certain circumstances

DEQ proposed amendments that help clarify which producer is obligated as the fee-payer in circumstances where one producer is making products for another, like private-label goods sold at grocery and retail stores. DEQ also proposed clarifications to how obligations are assigned to producers when something is sold into Oregon as a "remote sale" by online retailers.

These clarifications help producers accurately track and report their products, which improves the overall health of the recycling system and reduces confusion that could result in under-reporting and inaccurate payments into the system by obligated producers.

New exemptions for covered products

In preparation for the third rulemaking, DEQ invited producers to request exemptions for their products. The exemptions request process, including required consultation with the Oregon Recycling System Advisory Council, is defined in statute as a part of the Act's continuous improvement approach. DEQ received 29 exemption requests through the submittal process and evaluated multiple categories or types of products for permanent or time-limited exemptions which would reduce the fees paid to the Producer Responsibility Organization by their manufacturers. Products included garbage bags, certain types of protein packaging and certain types of products used in industrial manufacturing.

These new proposed exemptions improve the system's functionality and fairness of the shared responsibility model through revisions and adjustments based on new data since the July 1, 2025, system implementation start date.

Changes to the collection and management requirements for certain materials

DEQ proposed changes to the requirements for collection of glass packaging to reduce the collection and management obligations of the Producer Responsibility Organization. DEQ also proposed changes to the collection and management requirements for aerosols and pressurized cylinders to reduce the obligations of the Producer Responsibility Organization for those products.

The proposed changes are expected to result in reduction of the base fee paid by the producers of glass packaging starting in 2027. The proposed amendments for aerosols and pressurized cylinders also reduce the financial obligations of the PRO related to these products while retaining some compensation provided to the local governments collecting and managing them at depots and transfer stations.

Feasibility of implementation in communities previously underserved for recycling, including multi-family residential customers

DEQ proposed updated deadlines for new and expanded service to multi-family residential and multi-tenant commercial customers to allow for system maturation and investments by the PRO and local governments.

The proposed amendments allow DEQ to better support local governments as they implement new requirements for service to all residence types and expansion of commercial recycling opportunities across the state.

Clarifying definitions of materials accepted for recycling

DEQ proposed new and revised definitions for a number of materials identified on the local government and Producer Responsibility Organization acceptance lists. In most cases, the updates are in response to questions received by service providers and haulers in the implementation of the Act.

The proposed amendments help clarify what things should and should not be collected, which supports reduced contamination in the material streams and better worker safety at commingled recycling processing facilities.

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Public comment: Initial summary and general themes

In accordance with agency policy and processes, DEQ held a formal public comment opportunity from Sept. 21 to Oct. 30, 2026. DEQ hosted two hearings, both by Zoom, during which people could present verbal comments on the proposed draft rules. DEQ staff are reviewing the comments and will provide a full written summary of comments and DEQ responses in the proposed action item in January 2027. DEQ will provide a verbal summary of themes from the comment period as part of the Nov. 12, 2026, informational item presentation.

EQC involvement

DEQ will present draft proposed permanent rules for commission review and action in January 2027.

Supporting materials

A. DEQ webpage: Plastic Pollution and Recycling Modernization Act
B. DEQ document: Materials Management 2050 Vision and Framework
C. DEQ document: 2020 Framework update
D. DEQ webpage: Oregon Recycling System Advisory Council
E. DEQ webpage: RMA Rulemaking 3
F. DEQ document: Notice of Proposed Rulemaking, RMA Rulemaking 3
G. DEQ webpage: RMA Exemptions
H. DEQ document: Exemption requests summary, 2025

Report prepared by Stephanie Caldera

DEQ Land Quality Division, Materials Management Program, Operations and Policy Analyst

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