



Oregon Department of Environmental Quality

Compensation for Local Governments or Service Providers

Questions for Producer Responsibility Organizations

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Local governments or their service providers will have new opportunities under the Recycling Modernization Act to receive funding from producers and manufacturers of packaged items, paper products and food serviceware. Beginning in 2025, producer responsibility organizations will be required to provide advanced funding or reimbursement to local governments and their service providers for aspects of local recycling systems as described in [Oregon Revised Statute 459A.890](#), as well as other duties.

In preparation for the first rulemaking for the Recycling Modernization Act (SB 582), DEQ staff are meeting with representative parties to understand various operational and financial procedures and perspectives related to local government compensation. There will be robust stakeholder and public engagement as part of the rulemaking process. Other PROs are welcome to submit answers to the questions below to brian.stafki@deq.oregon.gov before June 30, 2022.

Learn more about the Recycling Modernization Act at www.oregon.gov/deq/recycling/Pages/Modernizing-Oregons-Recycling-System.aspx.

General reimbursement

ORS 459A.890 requires PROs provide advanced funding or reimbursement to local governments or their service providers, as is appropriate. Some of the elements such as expansion of recycling collection service, would likely be funded in advance, while others would likely follow a reimbursement model that would include receipts.

Questions

1. What is an appropriate level of detail for receipts?
2. What is an appropriate frequency for submitting receipts?

Costs of transporting covered products

ORS 459A.890(2) requires PROs cover the costs of transporting covered products from recycling reload facilities or depots to a commingled recycling processing facility or end market. Eligible costs include material receiving, consolidation, loading and transportation to the closest facility with capacity.

Questions

1. To what extent should the method of reimbursement be designated in rule by the Environmental Quality Commission compared to being designated in the plans to be submitted by the PRO for review and approval by DEQ?
2. What sort of standards do you think should be designated in rule to help make sure the process of payment of transportation costs is efficient and fair?

3. What are the benefits or drawbacks of the PRO or the processor directly arranging and providing for the cost of transportation of material between the transfer site dock and the destination processing facility?

Expansion and provision of recycling collection services

Under ORS 459A.890(5), PROs must fund the costs associated with expanding collection for covered products by local governments. To be eligible for this funding, local governments must indicate what expansion is needed as part of a needs assessment conducted by DEQ in the fall of 2022 and periodically thereafter. Eligible expenses include startup expenses with new on-route collection and reload facility, if needed, and both startup and ongoing operating costs of new or expanded depots.

Questions

1. What is an appropriate schedule for making improvements?
2. Should each program plan address all the needs identified within a program plan period?
3. Should there be special schedule for the first program plan of 3 years?
4. What is the ideal timeframe for receiving information related to the needs assessment going forward?

Returning funding

Under ORS 459A.890(11)(b), funding received by local governments or their service provider and is not used must be return to the PRO.

Questions

1. What is a reasonable timeframe for returning funds that were provided to local governments and service providers from the PRO for expansion that didn't occur?

Alternate formats

DEQ can provide documents in an alternate format or in a language other than English upon request. Call DEQ at 800-452-4011 or email deqinfo@deq.oregon.gov.