

OREGON RECYCLING STEERING COMMITTEE

Process Report September 2020

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Executive Summary

For years, Oregon (and the world) relied on China to take much of the recyclable paper and plastics generated by residents and businesses. In Oregon, the loss of local markets, the low cost of exporting materials, and China's acceptance of materials with relatively high levels of contamination led to a dependence on the Chinese market as an outlet for materials collected in Oregon. In January 2018, the Chinese government banned the import of certain plastic and paper grades and set a tighter contamination standard for paper – effectively closing the market for Oregon's recyclable materials. The loss of China's markets disrupted recycling systems worldwide, and in Oregon, communities made changes to their recycling collection programs in response including raising customer rates, suspending recycling, or removing items from programs. In some cases, materials collected for recycling were disposed.

In May 2018, recognizing that collaboration and partnerships would be crucial to addressing the problem, DEQ formed the Recycling Steering Committee (RSC) with partner representatives and launched a planning process to modernize Oregon's recycling systems to be stronger and more resilient to market changes. DEQ saw an opportunity to work in partnership with others to advance goals established in the 2050 Vision for Materials Management (see <https://www.oregon.gov/deq/FilterDocs/MManagementOR.pdf>). DEQ requested the assistance of Oregon Consensus as an unbiased third-party facilitator for the RSC planning process.

The RSC met from May of 2018 through September 2020, with a full pause in April 2020 to make significant process adjustments in response to COVID-19, as well as subsequent adjustments in September 2020 given additional disruptive challenges posed by wildfires and smoke across Oregon. Working together through subcommittee, research, ad hoc, and full RSC forums, the RSC reached full consensus agreement on a high-level description of a legal, relational and operational framework to support modernization of Oregon's recycling system. The RSC concluded their effort with a full consensus recommendation on September 18, 2020.

As set forth in its Charter, members of the RSC intended to work together to examine and make recommendations for modernizing the recycling system in order to:

- Optimize the environmental benefits of managing materials at the end of life using a life-cycle perspective;
- Create a recovery system that is strong and resilient to changes in supply and demand;
- Restore and maintain public trust in the system through education and engagement with the public; and
- Seek opportunities to further advance Oregon's 2050 Vision for Materials Management; and
- Advance equity in the Oregon recycling system.

The framework includes a description of the system design and sections on key system elements including public engagement, collection, processing and marketing of processed recyclables. The framework is intended to help guide DEQ as they develop a legislative concept for the 2021 Oregon legislative session to modernize the Oregon recycling system. Desired legislative outcomes articulated by the RSC include the following:

System Design

The RSC intends that legislation to establish a modernized Oregon recycling system framework should accomplish the following:

- Describe a high-functioning statewide system with stable financing that maximizes environmental benefits within available resources balanced with economic and social values; decreases the financial risks to local government programs when recycling market conditions change; and, supports the investments needed to update the system over time.
- Establish a statewide collection list that is consistent across the state and has a clear process to add or remove materials that takes environmental benefits and life cycle impacts into account.
- Establish extended producer responsibility for consumer brands and packaging producers that sell or place products and packaging into Oregon that include financial and some operational responsibilities across the system. Producer roles are intended to be limited to those specifically noted and set forth in the framework.
- Underscore that local governments retain authority over who provides services to their communities.

In addition, the concept describes significant new and overarching features:

- **Producer Responsibility Organizations (PROs).** Producers will join one or more non-profit “producer responsibility organizations” to develop and implement “producer stewardship plans” in order to meet producer responsibilities.
- **Oregon Recycling System Council (ORSC).** Legislation should establish the ORSC, appointed by the Governor, with 13 representatives including supply chain participants in the recycling system, local governments, community-based organizations, small businesses, environmental groups, and industry representatives. The role of the ORSC is to advise and assist DEQ in strong oversight of the system.
- **Advancing Equity in the System.** Legislation should support advancement of equitable outcomes as Oregon’s recycling system is modernized including improved and expanded access to recycling services, consistent and widely accessible public education, economic opportunities for local and minority businesses, reductions in health and environmental impacts experienced by vulnerable communities and improvements in safety, wages, and other benefits and opportunities for workers in the system.

Additional Concepts

The RSC included additional specific recommendations for system modernization (found in the framework document and its appendices):

- Create a material-specific life-cycle assessment (LCA) database
- Define optimal material-specific end-of-life pathways
- Support an expanded Bottle Bill to include wine and spirits
- Create post-consumer recycled content (PCR) requirements and provide financial incentives for increased PCR use through eco-modulated fees
- Develop labeling requirements in statute
- Create new anti-contamination programming requirements based on new statewide and local goals
- Establish inbound (generator-facing) contamination requirements
- Establish outbound (out of processing) contamination requirements

- Advance equity in the recycling system through minimum equity standards on processing facilities
- Create a framework for producer fees to finance the system, account for hard-to-recycle materials, and influence design choices.
- Develop and implement a standardized statewide recycling collection list

Process Observations and Recommendations

The Oregon Consensus team offers a few additional observations and suggestions intended to support the spirit, goals, and outcomes of the RSC's tremendous efforts in this process.

- DEQ is encouraged to maintain strong collaborative channels as they develop the Legislative Concept and work through legislative processes to promote the RSC effort. The RSC recognized that not all stakeholders actively participated as Steering Committee members in this forum. These include environmental, equity and other community organizations, and producers. They should be included in next step efforts.
- Legislation should establish clear sideboards on scope and authority for a key governance component, the formation of the Oregon Recycling System Council, but leave flexibility for the Council to self-organize around other coordinating features to promote shared ownership and accountability and in recognition that this will need to evolve through a transition and beyond.
- Infrastructure and customer engagement research, which provided economic analyses of system modernization options, coupled with DEQ's own social and environmental analysis, were of significant interest but results came too late in the process to be fully absorbed by the RSC in its own deliberations. The RSC partners expressed a desire for this work to be carried forward to inform future investments in the system.
- Finally, DEQ's collaborative approach to addressing urgent and long-term needs for a modern recycling system can serve as a model for other states contemplating a major modernization effort for their materials management systems.

Oregon Consensus commends the Agency and the members of the Recycling Steering Committee for overcoming unprecedented challenges and maintaining a high level of process integrity as they worked through difficult, complex issues and delivered a strong recommendation to the State for a modernized recycling system. OC was honored to bear witness and be a part of this major effort and accomplishment, and wishes DEQ and its Partners success in carrying the agreements forward through legislation and implementation.

INTRODUCTION

For several years, Oregon and the rest of the world relied on China to take much of the recyclable paper and plastics generated by residents and businesses. In Oregon, the loss of local markets, the low cost of shipping materials to China, and China's acceptance of materials with relatively high levels of contamination led to a dependence on the Chinese market for recycled materials. In January 2018, the Chinese government banned the import of certain plastic and paper grades and set a much tighter contamination standard for paper (0.5 percent by weight) – effectively closing the market for Oregon's recyclable materials. The loss of China's markets disrupted recycling systems worldwide. In Oregon, communities made changes to their recycling programs in response including raising customer rates, suspending recycling, or removing items from their programs. In some cases, materials collected for recycling were disposed.

In May 2018, recognizing that collaboration and partnerships would be crucial to addressing the problem, DEQ formed the Recycling Steering Committee (RSC) with partner representatives and launched a planning process to modernize Oregon's recycling system to be stronger and more resilient to market changes. DEQ requested the assistance of Oregon Consensus (OC)¹ as an unbiased third-party facilitator for the RSC planning process. OC supported and facilitated the RSC process and associated subcommittee and ad hoc workgroup processes.

Following is a summary of the RSC process, the key findings and recommendations of the RSC, and options for moving forward. DEQ's webpage for the RSC can be found at the following web address and includes links to the research and resources cited below:

<https://www.oregon.gov/deq/recycling/Pages/Modernizing-Oregons-Recycling-System.aspx>.

BACKGROUND

Purpose and Goals of the Recycling Steering Committee (RSC)

As set forth in its Charter, the RSC was intended to work together to examine and make recommendations for modernizing recycling system in Oregon, in order to:

- Optimize the environmental benefits of managing materials at the end of life using a life-cycle perspective.
- Create a recovery system that is strong and resilient to changes in supply and demand.
- Restore and maintain public trust in the system through education and engagement with the public.

Throughout this work, the RSC tried to balance the needs of different parts of the system and any significant geographical differences. The RSC also tried to balance solutions for sustainable materials management at the end-of-life that would not compromise or hinder efforts to reduce

¹ *Oregon Consensus (OC) is the State of Oregon's program for public policy conflict resolution and collaborative governance. The program provides mediation and other collaborative services to public bodies and stakeholders throughout the state. OC brings together communities, civic organizations, government entities, and businesses to find new approaches to public issues. OC conducts assessments and, where appropriate, designs and facilitates impartial and transparent collaborative processes that foster balanced participation and durable agreements. The program is housed in the National Policy Consensus Center (NPCC) at the Hatfield School of Government at Portland State University.*

environmental impacts at other stages of the life cycle such as product design, manufacturing, delivery or use. Throughout the process the RSC looked for opportunities to further advance Oregon's 2050 Vision for Materials Management as well as establish equity goals for the recycling system.

The process was intended to identify potential outcomes, products or tools applicable to Oregon's recycling system, including, for example, the following:

- A list of materials for collection programs with an understanding of environmental and economic impacts and regional differences
- Optimal collection methods that can supply clean materials and are cost-effective
- Models for materials sorting and processing infrastructure for the state and region including facilities, processes and technology that can effectively and efficiently sort and market recyclable materials
- A legal and relational framework that is the most effective at supporting Oregon's recycling system
- Effective education materials and compliance methods that encourage residents and businesses to recycle correctly and minimize contamination

In the end, the RSC focused most of its collaborative efforts on developing a modernized system framework which addressed legal, relational, and operational aspects for all players in the system, informed by research projects as well as the on-the-ground knowledge of Steering Committee members.

OVERVIEW OF THE RSC PROCESS

The RSC process rolled out in a series of steps consistent with a deliberate collaborative process.

An initial *convening phase* (spring – fall 2018) began the process with DEQ inviting participants from across the spectrum of actors in the Oregon recycling system and retaining the services of Oregon Consensus as a neutral third-party facilitator. During this phase, Oregon Consensus completed a stakeholder assessment, interviewing many of the established participants to help inform how the process could best be structured and initiated. Also during this phase, a draft [Charter](#) for the RSC was developed for consideration and adoption at the first meeting.

The RSC held its kickoff meeting with OC in May of 2018, met again in October 2018, and continued meeting approximately every month (or more frequently as needed) up through September 2020 - with a full pause in April 2020 and subsequent process adjustments in response to COVID-19 and wildfire-related disruptions.

The convening phase was followed by an extensive *information gathering and analysis phase* (fall 2018 – summer 2020) focused on gathering existing information about the functions and components of Oregon's recycling system and on identifying and researching alternative or desired functions, components and frameworks. To accomplish its work, the RSC created subcommittees focused on Infrastructure, Legal and Relational Frameworks, Stakeholder Engagement, and Contamination. DEQ (in consultation with the RSC) commissioned significant research to support this deliberation phase.

Infrastructure research studied collection, processing, and customer engagement, and was meant to inform the RSC on infrastructure investments.

Extensive research on recycling governance frameworks was also conducted. Frameworks research included analysis of 10 different recycling system frameworks alongside a gap analysis of the existing Oregon system compared against a set of identified desired system functions. High-performing elements of those 10 frameworks were then re-worked into five detailed scenarios for remodeling the Oregon recycling system.

Contamination was initially called out as an independent focus (and subcommittee), but the group quickly concluded that the issue was more of a cross-cutting concern. Contamination was thereafter addressed within both the frameworks and infrastructure research efforts, as well as in the subsequent deliberations phase.

Stakeholder engagement efforts occurred through RSC subcommittee, individual RSC member, and DEQ agency activities, which included surveys and in-person listening sessions to gather input.

The RSC utilized subcommittees as a way to efficiently move through the information gathering and analysis phase of this project. Primary work groups, as mentioned above, were Legal and Relational Frameworks (which helped shape and conduct early reviews of the frameworks research), Infrastructure (which helped shape and conduct early reviews of the infrastructure research); Stakeholder Engagement (which initially offered ideas for a broader engagement and developed early communication tools for describing the work of the RSC to the general public); and Contamination (which spent time working through definitions and gaining clarity around contamination ‘types’ at different parts of the system).

Outcomes and products of the information gathering and analysis phase include documents and reports which are available on the [DEQ Recycling Steering Committee webpage](#). Further details are provided below.

Even as the information gathering and analysis phase continued, the RSC initiated its ***deliberation and agreement seeking phase*** (fall/winter 2019 – fall 2020) with the intent of identifying and defining a new path forward for Oregon’s recycling system.² The RSC worked with the research consultants to develop options or scenarios for in-depth discussion and examination that incorporated desired components from the diverse frameworks described in the research.

The sections below provide more detail on:

- Information Gathering and Analysis – including foundational work on the state of the existing Oregon recycling system and future desired functions, along with key research developed, and alternative components and frameworks that were considered; and
- Deliberation and Agreement Seeking – including ideas considered and rejected as well as areas of agreement.

² *As the RSC was working on its information gathering and analysis phase and beginning its deliberative phase, the collaborative process was disrupted by the COVID-19 pandemic crisis. Meetings and most work were temporarily suspended in April, but the RSC resumed its work using virtual meetings technology in May of 2020. In September 2020 work was again briefly disrupted by significant wildfire impacts, but the RSC concluded its work on September 18, 2020.*

INFORMATION GATHERING AND ANALYSIS

DEQ, in consultation with the RSC, embarked on a significant research and evaluation effort that engaged numerous contractors to develop relevant information and reports. Research efforts were focused on questions related to both *infrastructure* and *frameworks*. The research and key outcomes are summarized below.

Infrastructure Research

Waste and Recovery Projections

Cascadia Consulting Group (Cascadia) conducted research for DEQ on behalf of the RSC to analyze current waste and recovery generation in Oregon and project changes in types and volumes of materials to 2025. Cascadia used this information and feedback from the RSC to recommend a list of materials to be considered as either recoverable or potential materials of interest — for example as contamination — and to include them in future modeling of infrastructure scenarios.

Collection Alternatives Research

Cascadia and subcontractor Bell & Associates researched two types of systems to understand the operations, costs, impacts, and changes necessary if Oregon were to migrate from the current state standard of a commingled mix with glass collected separately to a dual-stream of paper/fiber and mixed containers/other materials, with glass continuing to be collected separately. In other words, from Oregon's standard dual-stream system to a triple-stream system. The goal of this effort was to provide DEQ and the RSC with information on alternative collection methods to help them decide which collection methods to include in subsequent scenario analysis.

Processing Alternatives Research

Cascadia, with subcontractors Circular Matters and Drennen Consulting Services, researched seven types of processing systems/material recovery facilities (MRFs) to understand the operations, costs, and impacts. The goal of this task was to provide DEQ and the RSC with information on alternative processing methods to help them decide which collection and processing methods to include in subsequent scenario analysis.

Customer Engagement Research

The goal of this effort was to provide DEQ and the RSC with information on the state of knowledge regarding the use and effectiveness of alternative engagement, compliance, and incentive programs aimed primarily at reducing contamination in set-out recyclables. Cascadia conducted a literature review and web- and interview-based research on the cost and effectiveness of education, feedback, incentive, and compliance alternatives. The research was to inform customer engagement strategies included in scenario analysis. Research focused on the following customer engagement strategies:

- Direct feedback, such as cart tagging, phone calls, letters, or visits related to contamination observations.
- Compliance actions, such as cart refusal or removal as well as fines, fees, or surcharges. Compliance actions were usually preceded by direct feedback efforts.
- Simplified or standardized accepted materials list.
- Effects of container sizes or variable prices on contamination, primarily pay-as-you-throw (PAYT).

While also of interest to DEQ and the RSC, the review was not able to focus on the following strategies due to limitations of time and budget:

- Broad media and outreach efforts, such as canvassing/door-to-door campaigns, direct mail, municipal/hauler website, apps/online games, social media campaigns.
- Audience-tailored outreach efforts, such as commercial technical assistance; customized materials/signage; multi-lingual, image-based, or transcreated campaigns; property manager engagement; or school-based education.
- Incentives, such as rewards, for recycling or having low contamination.

Alternative Recycling Infrastructure Scenario Analysis

Based on the research on customer engagement, collection, and processing, Cascadia developed four initial alternative recycling infrastructure scenarios to analyze and compare against a fifth, baseline scenario. Supplemental research by Cascadia included five additional scenarios. These ten scenarios represented a range of infrastructure system alternatives, focusing mainly on variations in the collection and processing infrastructure and, to some extent, on the accepted materials lists and broken out by four different groupings of service levels provided by DEQ (areas with extensive on-route collection, areas without on-route collection, and two areas with intermediate service levels)..

Cascadia evaluated these scenarios against a number of criteria. DEQ supplemented this research with assessment of a variety of life cycle environmental impacts (carbon, human toxics, water consumption, etc.) for the different recycling scenarios. These environmental impacts were also expressed as "social costs" and reported alongside Cascadia's estimates of transactional costs for a more holistic assessment of full costs to society.

Frameworks Research

Prior to commissioning research on alternative recycling frameworks for Oregon's recycling system, the RSC and DEQ produced some agreed-upon principles to guide the research effort. In addition to the overall goals of the RSC effort to modernize Oregon's recycling system (i.e., as articulated above: optimized environmental benefits, a strong and resilient system, and restored public trust), the RSC identified a set of key functions ([Key Functions of a Future System](#)) for Oregon's future recycling system to perform to achieve these goals and support the 2050 Vision of Materials Management. The RSC and DEQ used this articulation of key functions to provide guidance to the selected consultant team as they initiated their frameworks research. The key functions outlined by DEQ and the RSC were intended to promote/ensure the following outcomes:

- Whole/integrated system design
- Goals and metrics for system improvements
- Shared responsibility for the system
- Education, outreach and engagement for system users
- Identification and collection of beneficial materials
- Effective material processing
- Transparency and accountability

Following the identification of desired key functions and gap analysis work by the Legal and Relational Frameworks subcommittee, DEQ issued a Request for Proposals to help the RSC understand potential paths forward. This resulted in a contract with Resource Recycling Systems

(RRS), who then worked with the RSC and Legal and Relational Frameworks Subcommittee over subsequent months. The [RRS Frameworks Research](#) started with ten frameworks to run an analysis and create a second round of five framework scenarios for the RSC to study and inform their deliberations on the best path forward for the state.

Supplemental Frameworks Research

RRS was asked to research several questions generated by the RSC during the framework and scenario review and evaluation process. Supplemental research conducted by RRS resulted in memos that addressed the impacts of Extended Producer Responsibility (EPR) frameworks for Packaging and Paper Products (PPP), including the following:

- [Costs, Environmental Goals, and Equity Associated With EPR](#)
- [Impact of EPR on Contamination](#)
- [Impact of EPR on Recycling Rates](#)
- [Impact of EPR on Recycling Market Stability](#)
- [Impact of EPR on Price of Consumer Packaged Goods](#)
- [Impact of EPR on Packaging Design](#)

In addition to the commissioned research, RSC members conducted information gathering on their own. A summary of the sources submitted by members for consideration by the full committee is included [here](#). Additionally, Dr. Cal Lakhan, author of *Review of Recycle BC Program Performance* from York University, provided a brief presentation about his research to the RSC on July 22, 2020.

Stakeholder Engagement

[January 2020 Stakeholder Frameworks Research Information Session](#)

The purpose of this public information session was to allow DEQ's contracted researcher to present the latest round of analysis on a suite of legal and relational framework scenarios and to provide an opportunity for SC members and stakeholders to ask questions about the analysis. This session was attended by 121 participants.

[Oregon DEQ Recycling Frameworks Feedback Survey](#)

The overarching goal of this survey was to identify the range of stakeholder priorities and interests. Following the January 2020 public information session about possible future recycling system frameworks, DEQ distributed an online survey to recycling stakeholders from across the state. The results of that survey are one of several sets of data that help identify stakeholder attitudes and concerns as they relate to Oregon's recycling system. The survey asked respondents to provide feedback regarding their impressions of the current recycling system, and to rate five framework scenarios that could be used to guide the development of Oregon's future recycling system.

[Underrepresented Stakeholders Listening Sessions, Survey and Report](#)

DEQ and its partners on the Stakeholder Engagement subcommittee identified the need for input from underrepresented communities on the RSC's work. The purpose of the Underrepresented Stakeholders Listening Sessions conducted in February and March 2020 was (1) to engage a range of communities with lower representation within the RSC process (rural communities distant from the Portland Metro area, low income people, houseless populations, and communities of color); (2) to provide feedback for the RSC to consider in their consideration of recycling system framework options; and (3) to begin building trust and long-term relationships within underrepresented

communities. Barney & Worth, with support by The Formation Lab and BanksCuesta Translations LLC, conducted this work, as well as the MRF Worker Outreach Study described below.

[MRF Worker Outreach Summary](#)

The purpose of the MRF Workers Outreach Study was to hear directly from individuals currently working at material recovery facilities (MRFs), with an emphasis on the least senior staff working on sorting lines, to inform the RSC's recommendations about where to make financial investments and policy improvements. The study included stakeholder interviews with individual workers and an online survey conducted in both Spanish and English.

DELIBERATION AND AGREEMENT SEEKING Spring-Summer 2020

The RSC focused their agreement-seeking effort around building a comprehensive legal, relational, and operational framework for modernizing Oregon's recycling system. Due to disruptions from COVID-19, the work was primarily organized into 'ad hoc' committees that focused on single or small groupings of 'common elements' (first informed by RRS research and later by RSC member input), starting with those that were considered alignment-ready. The ad hoc groups deliberated and developed proposals for RSC member consideration and preliminary consensus checks at full Steering Committee meetings. Any small group proposals approved for preliminary consensus were later reflected in the complete, comprehensive framework, development of which was led by the local government representatives (Association of Oregon Counties, League of Oregon Cities, Metro, Lane County and City of Portland) (the LG Proposal).

In parallel, during full RSC meetings, RSC members: engaged in discussions related to the strengths and weakness of integrating producer responsibility at the various phases (Collection, Processing, End Markets) of Oregon's recycling system; learned about results of the contracted and DEQ-led infrastructure research efforts; reviewed and deliberated on 'alignment-ready elements'; and determined consensus on proposals from ad hoc groups. Along the way, they heard and discussed iterations of the LG Proposal as it was being developed.

Development and Consensus-Seeking of a Comprehensive Framework Concept for Modernizing Oregon's Recycling System

During early spring through late summer 2020, the RSC's local government members formed a caucus to develop a comprehensive proposal to support modernization of Oregon's recycling system. This proposal included an EPR frame that sought to address (1) the Steering Committee's desired functions; (2) common elements considered in the process; and (3) RSC preliminary consensus agreements. While they started from a place of Local Government vision and goals for a modernized system, the concept evolved through 16 iterations with input from all other RSC members, and was ultimately presented as a final recommendation to the RSC at their final session on September 18, 2020. The development of the proposal was an iterative process. The concept, with minor changes addressed in that session, was approved with full consensus by the RSC at its final meeting.

The final recommendation in its entirety is included [here](#) and is summarized above in the Executive Summary.

CONCLUSION: FACILITATORS' PROCESS OBSERVATIONS AND SUGGESTIONS

The Oregon Recycling Steering Committee process spanned nearly 100 meetings, two major research efforts, and countless staff and partner hours between Summer 2018 and Fall 2020. This effort resulted in a strong consensus agreement among the RSC around a framework to modernize Oregon's recycling system, to align with the goals described in the State's 2050 Vision for Materials Management. The DEQ project team and RSC partners moved through major disruptions resulting from the COVID-19 pandemic and, late in the process, wildfires that impacted many communities across the state. They had to pivot mid-process into a completely virtual setting to conduct all their deliberations and consensus building. They rose to the occasion day in and day out and came to a genuine conclusion of consensus in the end.

The Oregon Consensus team offers a few additional observations and suggestions as the State takes the next steps to modernize Oregon's recycling system. They are intended to support the spirit, goals, and outcomes of the RSC's tremendous efforts in this process.

- 1) Much was accomplished to advance the modernization efforts, and much is yet to be done to actualize the agreements of this RSC project. Partners expressed conviction and strong requests to continue to work together with the DEQ to translate the intent of the framework concept into law and policy that will be carried out on the ground. A specific desire of the RSC was to work on the remaining definitions, which they felt are critical in clarifying the intent of the recommendations. To that end, OC encourages DEQ to maintain strong collaborative channels as they develop the Legislative Concept and work through legislative processes to promote the RSC effort.
- 2) It was also recognized that not all interests were represented as Steering Committee members in this forum, and they should be included in next step efforts. These include environmental, equity and other community organizations; and producers.
- 3) Governance was a major component of the framework negotiated by the RSC. The concept favored by the RSC was to establish a strong advisory group ('Council') to inform and provide meaningful advice to DEQ in strong oversight of the system. However, the RSC did not flesh out specific governance details. This will likely be a critical piece to 'get right' and should be worked out with care and inclusiveness of the parties who will be impacted. OC recommends that legislation establish clear sideboards on scope and authority for the ORSC, but leave flexibility for the Council to self-organize around other coordinating features to promote shared ownership and accountability and in recognition that this will need to evolve through a transition and beyond.
- 4) The parties involved in the RSC know best the intent of the governance structure they agreed to, and therefore could be helpful in informing the way governance structures are set up at the outset.
- 5) The results of the contracted Infrastructure and customer engagement research, which provided economic analyses of system modernization options, coupled with DEQ's own social and environmental analysis, were of significant interest but came too late in the process to be fully absorbed by the RSC in its own deliberations. As such, important discussions about domestic markets, physical system upgrades, and different collection methods are left for the next phase of this modernization effort. RSC partners expressed a desire for this work to be carried forward to inform future investments in the system.
- 6) Finally, the Agency's chosen approach to addressing urgent and long-term needs for a modern recycling system is unique, as is the substantive outcome of the RSC effort, and

both can serve as a model for other states or regions contemplating a major modernization effort for their materials management (or other sector) systems. DEQ is already well positioned to speak as a technical leader about the life-cycle approach for materials management, and now can also lead on sharing about the challenges and opportunities that were presented as the agency endeavored to convene and lead a transparent, ‘no surprises,’ collaborative agreement-seeking forum to assist them in this major policy and program change.

In conclusion, Oregon Consensus commends the Agency and the members of the Recycling Steering Committee for overcoming unprecedented challenges and maintaining a high level of process integrity as they worked through difficult, complex issues and delivered a strong recommendation to the State for a modernized recycling system. OC was honored to bear witness and be a part of this major effort and accomplishment, and wishes DEQ and its Partners success in carrying the agreements forward through legislation and implementation.

This report is respectfully submitted to DEQ by the Oregon Consensus Facilitation Team to conclude the Recycling Steering Committee process.