



# Recycling Steering Committee

Modernizing Oregon's recycling system with support from Oregon Consensus

## Recycling Steering Committee – Frameworks Information Session Agenda

January 31, 2020

9 a.m. to 2:30 p.m.

Chemeketa Center for Business and Industry Auditorium

626 High Street NE

Salem, OR 97301

Join Zoom Meeting

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**Meeting ID: 655 614 724**

### Framework Scenarios Information Session: 9 a.m. to noon

**Meeting Purpose: Information Session** for DEQ's contracted researcher, RRS, to present the latest round of analysis on a suite of legal and relational framework scenarios, and an opportunity for SC members and stakeholders to ask questions about the analysis.

#### 9 a.m. Welcome, Introductions, Housekeeping, Frame for the Day (Oregon Consensus/DEQ)

- Oregon Consensus will give a brief overview of the purpose and process of the Recycling Steering Committee (RSC), and offer a process frame for today's information session.
- DEQ will give an overview of the scope of the RSC and set the substantive context for today's session, including an overview of the Oregon system framework.

#### 9:30 a.m. Framework Scenarios Review

- Brief review of packet of materials – RRS report, key terms, desired functions, participants worksheet (DEQ)
- Presentation of analysis of 5 scenarios – RRS will introduce themselves as the contracted team working on this effort to date; and will share the in-depth evaluation. They will cover:
  - Research process and scenarios overview
  - Scenario review: Government managed
  - *Pause for participant Q&A on first set of scenarios*

The Recycling Steering Committee is a collaborative of representation from the Assoc. of Oregon Counties, Assoc. of Oregon Recyclers, Assoc. of Plastics Recyclers/Denton Plastics, EFI Recycling, Far West Recycling, Lane County, League of Oregon Cities, Metro, NORPAC, Oregon Department of Environmental Quality, Oregon Refuse & Recycling Assoc., City of Portland, The Recycling Partnership, Rogue Disposal & Recycling, Waste Connections, and Waste Management. **For more information, visit <https://go.usa.gov/xmYYe>.**

- Scenario review: Producer managed
- *Pause for participant Q&A on second set of scenarios*

- 11:40 a.m.                      Wrap up of Morning Session/What to Expect Next**
- Quick recap and appreciation to participants (David Allaway, DEQ)
  - Opportunities for stakeholder engagement moving forward (DEQ)
  - Next steps for RSC (OC)

**Noon                              ADJOURN Frameworks Information Session**

### **Recycling Steering Committee Debrief Session 12:30-2:30 p.m.**

***Meeting Purpose: Debrief Session*** for RSC members to continue with RRS to understand the results of the frameworks scenarios analysis, discuss any questions or feedback heard in the morning session, dialogue with each other about their initial responses to the findings, and set a path forward for further deliberations.

- 12:30 p.m.                      Steering Committee Debrief Session**
- Q&A Session with RRS
  - Discuss feedback from morning session, as time allows
  - Small and large group dialogue -- What have we learned? Where do we see opportunity for the Oregon system? What concerns or questions are coming up?

***Objective:*** The RSC is informed by the in-depth analysis of the five framework scenarios and is prepared to take the next step, engaging each other and other stakeholders to develop recommendations for modernizing the legal and relational framework of Oregon's recycling system.

- 2 p.m.                              Public Comment**
- Members of the public have an opportunity to ask questions or weigh in on the discussions. As needed to allow time for all who wish to speak, time may be limited to 2-3 minutes per person.*

- 2:15 p.m.                              Wrap Up and Next Steps (OC/DEQ)**
- Confirm action items from today
  - Review next steps in the frameworks process, in preparation for March 18
  - Confirm next meeting date - February 28
- Objective:*** The RSC members understand next steps in the process.

**2:30 p.m.                              Adjourn**



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## MODERNIZING OREGON'S RECYCLING SYSTEM Fact Sheet

**It is time to update and modernize Oregon's recycling system. The Recycling Steering Committee is working to update our existing systems to meet future needs, while balancing economic and social considerations from all parts of the state.**

### HOW HAS RECYCLING CHANGED RECENTLY?

Unprecedented disruptions in international markets for the materials collected for recycling have affected Oregon's ability to recycle in nearly all parts of the state. For many years, China and other Southeast Asian countries had been taking mixed paper and plastic recyclables from Oregon, much of the U.S. and around the world for use in manufacturing. In 2017, China began to restrict materials coming their way — as the recyclables shipped to them contained too much non-recyclable waste — in an attempt to clean up their environment. Many other countries followed China's lead.

### HOW HAS THIS IMPACTED LOCAL RECYCLING PROGRAMS?

In response to the market disruptions, some local recycling programs have removed items that are no longer cost effective to them to recycle, increased garbage and recycling service rates to cover increased costs, or both. These changes have increased awareness of our recycling practices and signaled that it is time to update and modernize Oregon's recycling system. It is more important than ever to understand what can be recycled and to make sure we recycle right. Read more at: <https://go.usa.gov/xpUSg>.

### WHY IS RECYCLING IMPORTANT?

Recycling gives materials a second life, and in doing so, creates jobs, reduces pollution and is gentler on the planet than creating products from virgin resources. In 2016, Oregon recycled 1.4 million tons of materials, which prevented 3.1 million metric tons of carbon dioxide equivalent from being released into the atmosphere — the equivalent of removing 674,000 cars from the road for a year. Oregon has a long history of recycling — nearly 40 years. Oregonians want to do their part to help protect the environment, and recycling is important to them.

However, environmental impacts happen at all stages of a material's life, including during production, use and disposal. Oregon is working toward a future where we produce and use materials responsibly while conserving resources, protecting the environment and living well. To learn more about this work and where recycling fits in, read about Oregon's 2050 Vision and Framework for Action: <https://go.usa.gov/xpUST>.



## HOW IS THE STATE RESPONDING?

DEQ brought together players responsible for Oregon's recycling system including local and state governments, businesses, and other organizations, through the Recycling Steering Committee. The work is supported by Oregon Consensus, a program of Portland State University and the National Policy Consensus Center, which brings community members, government representatives and businesses together to solve problems and plan for the future.

The Recycling Steering Committee has been working with DEQ to identify what Oregon's future recycling system should look like, conduct research to inform decisions and — by summer 2020 — recommend changes to achieve that future system. The Recycling Steering Committee has completed an assessment of the problems in our current recycling system, is conducting ongoing research to understand alternatives, and will identify how the future system needs to work to be successful.

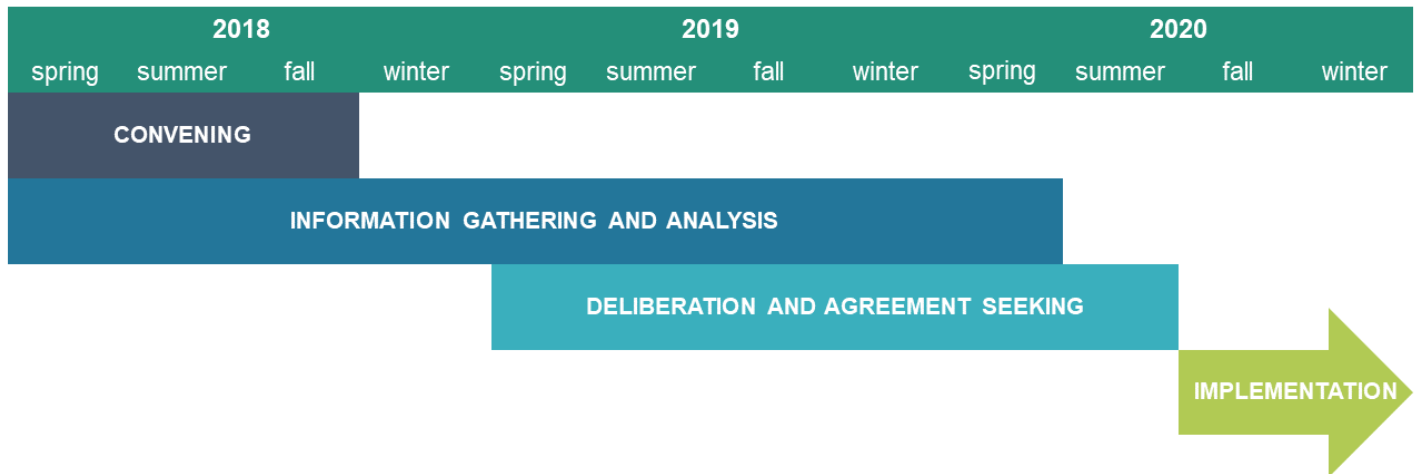
## WHAT IS THE COMMITTEE DOING?

The committee will make recommendations that could address:

- Changes in laws and policies supporting and guiding Oregon's recycling system.
- Methods and facilities needed to collect, sort and process those materials for markets.
- Which materials should be the focus for recycling.
- How to provide guidance to residents and businesses on how to recycle and encourage them to do it correctly.

Throughout this work, the committee will look to balance economic, environmental and social needs from all parts of the state, existing systems and infrastructure, and the needs for the future.

## PROJECT TIMELINE



## LEARN MORE

To learn more about the Recycling Steering Committee, visit <https://go.usa.gov/xmYYe>.

## ALTERNATIVE 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.state.or.us](mailto:deqinfo@deq.state.or.us).



# Recycling Steering Committee

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## MODERNIZING OREGON'S RECYCLING SYSTEM Steering Committee Charter (Summary)

Oregon Department of Environmental Quality and its partners are working together through the Recycling Steering Committee to update and modernize Oregon's recycling system, which was heavily disrupted in 2017 after international markets began restricting acceptance of many materials.

**The Recycling Steering Committee's goal is to help create a recycling system that optimizes benefits for the environment, is strong and adaptable to change, and restores and maintains public trust.**

### PURPOSE

The Recycling Steering Committee is working to examine and make recommendations for modernizing the 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 resilient recovery system that can adapt to changes in supply and demand.
- Restore and maintain public trust in the system through education and engagement.

The steering committee will look to balance the needs of different parts of the state and any significant geographical differences.

The committee will also balance solutions for sustainable materials management at the end of life that do not compromise or hinder efforts to reduce environmental impacts at other stages of the life cycle. Such solutions may include product design, manufacturing, delivery or use.

### GUIDING PRINCIPLES

- Base policies and programs on research
- Coordinate and collaborate with partners
- Ensure actions complement one another
- Build on what's already working, using existing infrastructure when possible
- Focus on high impact materials and processes that support environmental benefits
- Be flexible and adaptable to new materials coming in to the system
- Consider socially responsible policy options that address social equity, quality of life, economic viability and unintended consequences

### POTENTIAL OUTCOMES

Outcomes may include recommendations for:

- List of materials for collection programs
- Optimal collection methods
- Models for materials sorting and processing infrastructure for the state and regions
- Governance structures that are the most effective at supporting Oregon's recycling systems
- Effective education materials and enforcement methods
- Markets development strategies

## REPRESENTATIVES

The Recycling Steering Committee is convened by DEQ and includes representatives from a range of partner organizations who are collaborating to identify and implement changes needed in Oregon's recycling system.

### Government representatives

- Association of Oregon Counties (Deschutes County) — Timm Schimke (Bend)
- City of Portland — Bruce Walker (Portland)
- DEQ — David Allaway/Abby Boudouris (Portland)
- Lane County — Sarah Grimm (Eugene)
- League of Oregon Cities (City of Beaverton) — Scott Keller (Beaverton)
- Metro — Pam Peck (Portland)

### Recycling industry representatives

- EFI — Jeff Murray (Portland)
- Far West Recycling — Vinod Singh (Portland)
- Oregon Refuse and Recycling Association — Kristan Mitchell (Salem)
- Paper industry — Jay Simmons, NORPAC (Longview, WA)
- Plastics industry — Nicole Janssen, Association of Plastics Recyclers/Denton Plastics (Portland)
- Rogue Disposal & Recycling — Laura Leebrick (Medford)
- Waste Connections — Jason Hudson (Vancouver, WA)
- Waste Management — Matt Stern (Kirkland, WA)

### Other association representatives

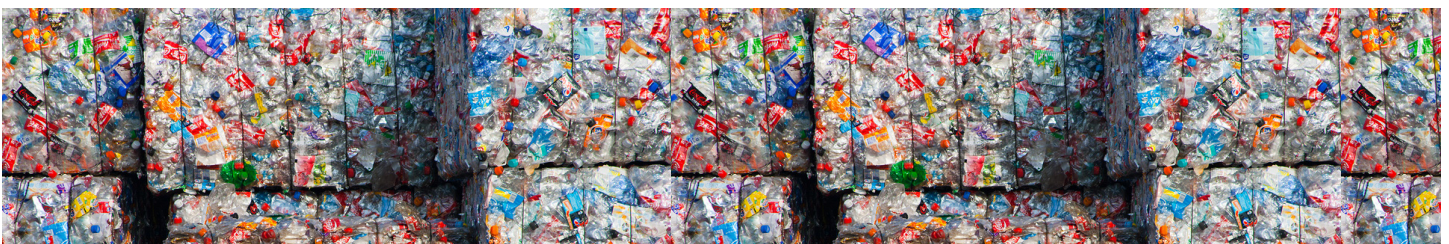
- Association of Oregon Recyclers — Amy Roth (Tualatin)
- The Recycling Partnership — Dylan de Thomas (Portland)

## LEARN MORE

To read the full charter document and learn more about the Recycling Steering Committee, visit <https://go.oregon.gov/xmYYe>.

## ALTERNATIVE 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.state.or.us](mailto:deqinfo@deq.state.or.us).







# Recycling Steering Committee

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## MODERNIZING OREGON'S RECYCLING SYSTEM

### Key Functions of a Future System

The Recycling Steering Committee's goal is to help create a recycling system that optimizes benefits for the environment, is strong and adaptable to change, and restores and maintains public trust.

To help evaluate potential options for Oregon's future recycling system, the Recycling Steering Committee has identified the following key functions that will inform their recommendations.

#### WHOLE SYSTEM DESIGN

- Optimizes the benefits of recycling considering life cycle impacts and costs
- Resiliently adapts to changes in material supply and end market demand
- Provides sustainable and equitable financing for stable operations and capital investments
- Integrates system components to achieve overall system goals
- Includes mechanisms to reduce upstream impacts of materials
- Designs for equity – examining the burdens and benefits across the state

#### RESPONSIBILITY

- Shares responsibility for the system among players including residents and businesses, producers, state and local governments, and recycling industry

#### GOALS AND MEASURES

- Uses goals and metrics to measure progress and support ongoing improvement

#### EDUCATION, OUTREACH AND ENGAGEMENT

- Educates and encourages residents and businesses to use the system properly
- Engages the public to understand the benefits and the costs of recycling, preventing waste and reducing impacts of materials throughout their life cycles

#### MATERIALS COLLECTED

- Identifies beneficial materials acceptable for collection programs

#### COLLECTION SYSTEM

- Collects clean, acceptable materials for processing

#### MATERIAL PROCESSING

- Ensures processing facilities receive clean materials and in sufficient volumes
- Produces quality materials that reach end markets

#### TRANSPARENCY AND ACCOUNTABILITY

- Ensures materials are managed responsibly from collection through end markets
- Ensures all players in the system perform responsibly

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## MODERNIZING OREGON'S RECYCLING SYSTEM

### Oregon's Current System

**Our current mixed recycling system is guided by the *Opportunity to Recycle Act*, as well as the *2050 Vision and Framework for Action* to incorporate a sustainable materials management lens. The system relies mainly on local governments for program design, ratepayers to fund the system, and private companies for service provision.**

#### OVERVIEW

The Opportunity to Recycle Act and the 2050 Vision and Framework for Action provide the policy framework for Oregon's current recycling system. Administrative rules promulgated by the Department of Environmental Quality (DEQ) define implementation requirements, for which local governments are primarily responsible. In most communities, private collection companies collect materials; commingled (mixed) materials are then sent to private sorting facilities. After sorting, materials are sold to end markets for processing and manufacturing into new products and packaging.

#### FLOW OF MATERIALS

In much of the state, collection services are provided by private collectors who have franchise agreements with local governments (exceptions include, but are not limited to, Eugene, Florence, Junction City and Portland).

Collectors deliver materials to private Material Recovery Facilities (MRFs) for sorting. Metro licenses MRFs in the Portland Metro region. There are no contracts between MRFs and local governments, and local governments do not currently direct collected material to specific processors. There is little publicly-owned infrastructure for collection, and no publicly-owned MRFs.

#### FINANCING

The system is largely financed by rates paid by residential and commercial customers (ratepayers) of solid waste and recycling collection services. In most communities, the rates are set by city and county elected officials. Rates are based on the collector's cost of

service (including processing fees) and a reasonable rate of return. These rates include a franchise or license fee (typically between 3 and 7 percent) paid to the city or county franchisor.

#### MATERIALS COLLECTED

In practice there is no harmonized statewide list of materials that are required to be collected. Communities (with a population greater than 4,000) are required to offer the opportunity to separate materials for recycling, if the net cost of collecting, processing, and marketing them for recycling is less than that of collection and disposal. Beyond that requirement, local governments have autonomy over material selection and can add to the list as they see fit. As a result, different communities in Oregon collect different materials for recycling.

#### PROCESSING AND END MARKETS

Oregon does not regulate the processing and marketing of materials, as those activities are governed by the open market. Most of the state is served by six MRFs in the Portland area, one in the Salem area and one in Vancouver, WA. Despite many recent challenges with markets, a few of Oregon's MRFs have made significant investments in sorting technology over the past two years. And, even with commodity values at remarkably low levels, Oregon MRFs have continued to deliver materials to domestic and foreign end markets.

Contamination of these materials is an ongoing concern to end markets and an environmental concern as well, especially when materials are exported to countries lacking effective infrastructure to manage solid waste.

## TYPES OF WASTE GENERATORS

Many recycling programs focus on residential waste generators. Expanded service for multifamily and commercial generators are two optional elements in the Opportunity to Recycle Act that many local governments also choose to include in their programs.

## ROLES AND RESPONSIBILITIES

- **DEQ** is responsible for guiding state policy and overseeing, enforcing and supporting local recycling programs following Opportunity to Recycle Act requirements.
- **Local governments** with a population greater than 4,000 are responsible for providing residents and commercial generators with the opportunity to recycle. Local governments can provide this directly or arrange with other parties such as collection service companies. This includes providing collection containers, collection service, and public education and promotion following the waste hierarchy. Local governments must plan and manage their programs in compliance with state requirements, including determining which materials to collect. A range of additional flexible program elements, such as commercial collection or organics collection programs, are required based on the size and location of a community. Communities of greater than 50,000 residents within 150 miles of Portland must also have programs focused on prevention and reuse.
- **Metro** is responsible for planning, managing and overseeing the Portland Metro area's solid waste and recycling system, though it does not oversee collection. This includes managing the flow of materials generated in the Metro area; regulating transfer and material recovery facilities; supporting and investing in efforts consistent with the region's solid waste plan; and submitting compliance reports to DEQ.
- **Collection service companies** deliver collection services as contracted or arranged through franchise agreements, licenses or other arrangements with

local governments, and must take the material to a processing facility or end market.

- **Disposal site operators** are required to provide drop-off recycling opportunities.
- **Processors (material recovery facilities, or MRFs)** accept materials from collection service providers, businesses and other entities and process, prepare, and sell materials to end markets, often through material brokers.
- **Producers** of products and packaging do not participate in Oregon's current mixed recycling system. Producers do participate in the recovery of paint and electronic waste.
- **Oregon Beverage Recycling Cooperative (OBRC)** is the industry implementation entity for the bottle bill system.

## OTHER RECOVERY PROGRAMS

Beverage containers are recovered through a distributor-funded cooperative, governed by the Oregon Beverage Container Act (the bottle bill). Mandated producer responsibility-based programs are in place for electronic waste and paint, and a pharmaceuticals program is in development. Some other recovery programs, such as for scrap metal, operate without government mandates.

## OTHER ENVIRONMENTAL CONSIDERATIONS

The recycling of materials conserves energy and other resources, and typically reduces pollution. However, the state's recovery rate is below its target (52 percent by 2020) and materials collected for recycling can be exported to end markets overseas without any restrictions or guidance. Recycling is necessary – but by itself, insufficient – to meet DEQ's environmental goals. Reducing full life cycle impacts is not currently a core element of Oregon's recycling system. There are very limited requirements currently impacting packaging design, labeling, or other responsibilities to reduce environmental impacts by the producers of packaging or printed paper sold into Oregon.

## LEARN MORE

To learn more about the Recycling Steering Committee, visit <https://go.usa.gov/xmYYe>.

This document is based on research by Resource Recycling Systems conducted on behalf of the Recycling Steering Committee.

## ALTERNATIVE FORMATS

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## MODERNIZING OREGON'S RECYCLING SYSTEM

### Key Concepts

#### BACKGROUND CONCEPTS

**Materials management** – An approach to reduce environmental impacts by managing materials through all stages of their life. Materials management identifies impacts and actions across the full cycle of materials and products as they move through the economy—from raw material extraction to product design and manufacture, transport, consumption, use, reuse, recycling, and disposal.

**Life cycle assessment** – A standardized process used to estimate the environmental impact that a product or process has over the whole of its lifespan, including extraction of raw materials, production, transport, use, and disposal.

**Upstream** – Those actions and impacts that occur earlier in the life cycle. As viewed by a consumer, upstream impacts are those associated with extraction of raw materials, production, distribution, and sale of the product.

**Downstream** – Actions and impacts that occur later in the life cycle of a product. As viewed by a consumer, downstream actions are those associated with disposal or recycling of the product.

**End-of-Life** – The point at which a product or material is no longer useful to the person possessing it and is either discarded or abandoned.

**Externality** – An economic cost to society, for example, the cost to society of illness or disability caused by pollution, that is not reflected in the price of the good or service that causes society to incur that cost.

#### OREGON BASELINE

**Opportunity to Recycle** – As defined under ORS 459.005, Oregon's *Opportunity to Recycle Act* dictates that cities, counties, and metropolitan service districts of 4,000 or more in population must provide residents and

businesses with the opportunity to recycle. This opportunity involves several elements drawn from a menu of options, including on-route collection of recyclables from single-family, multifamily and nonresidential waste generators, enhanced recycling education and promotion, and more.

**Franchise agreement** – An agreement issued by a local government unit authorizing a person or entity to provide solid waste management services in a designated area.

#### EXTENDED PRODUCER RESPONSIBILITY

**Product stewardship** – Product stewardship is an environmental management strategy where all parties involved in the design, production, sale and use of a product take responsibility for minimizing the environmental impact throughout the stages of the product's life. The greatest responsibility lies with whoever has the most ability to affect the product's life cycle impacts. Stewardship can be either voluntary or required by law.

**Extended producer responsibility (EPR)** – A mandatory type of product stewardship that includes, at a minimum, the requirement that the producer's responsibility for its product includes post-consumer management of that product and its packaging. Oregon currently has EPR laws for beverage containers, electronics, paint and pharmaceutical products.

**Product Stewardship Organization (PRO)** – Usually a not-for-profit organization or an industry association designated by a producer or producers to act on their behalf to administer an extended producer responsibility or product stewardship program.

#### PRODUCT DESIGN

**Design for environment (DfE)** – A methodology where products and packaging are designed to minimize their overall environmental and health impacts.

**Design for recyclability (DfR)** – A methodology where products and packaging are designed to be recycled at end-of-life.

## FINANCING

**Collection Service Excise Tax** – Assessed on recycling collection services, waste collection services, or both, the fee is paid by collection service customers, received by the collection service provider, and remitted to the state for a dedicated fund to improve recycling.

**Generator Fee** – Paid by waste generators, which could be collected in as a separate line item on a property tax bill or as a specially-assessed fee (on its own bill).

**Producer Fee** – A fee brands and/or producers of packaging and other recyclables would be required to pay to the state, based on the amount of material they sell into the Oregon market. That fee could then be used to create a dedicated fund for recycling.

**Retail Packaging Fee** – Assessed at the point of sale and paid by the consumer, revenue from the fee would be remitted by the retailer to the state for the intended use. Such a fee has been used by a number of states to

generate funds for government programs that address particular materials (e.g., scrap tires). Also known as “advance disposal fees” or “recycling fees.”

**Recycling Gate Fee Surcharge** – Assessed on recyclable materials delivered to MRFs for processing and paid by the collection service provider. This fee would be a set dollar per-ton amount that, depending on market revenues, sometimes leads to positive net gate fees and sometimes negative net gate fees.

**Solid Waste Disposal Fee Surcharge** – A per-ton fee on the disposal of waste that would be collected by a disposal facility and remitted to the state for a dedicated recycling fund.

## EQUITY

**Equity standards** – Standards that address the burdens and benefits of recycling through an equity lens. Issues addressed by these standards could include, but are not limited to: convenient, equitable access to recycling opportunities; facilities and their disproportionate impacts on certain communities; and minimum end-market environmental health and safety standards, in order to lessen or eliminate environmental justice burdens.

## LEARN MORE

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