Rulemaking Advisory Committee Meeting #6
Plastic Pollution and Recycling Modernization Act

April 11, 2023
Zoom Webinar
# Agenda

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<tr>
<td>9 a.m.</td>
<td>Welcome, Overview of Today’s Meeting</td>
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<td>9:10 a.m.</td>
<td>Introductions</td>
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<td>9:20 a.m.</td>
<td>Follow-up from RAC meeting #5</td>
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<td>9:45 a.m.</td>
<td>Overview of draft rules</td>
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<td>10 a.m.</td>
<td>Presentation and discussion- Racial Equity Statement</td>
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<td>10:30 a.m.</td>
<td>BREAK</td>
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<td>10:40 a.m.</td>
<td>Public Input Period</td>
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<td>11:10 a.m.</td>
<td>Presentation and discussion- Fiscal Impact Statement</td>
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<td>12 p.m.</td>
<td>LUNCH BREAK</td>
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<td>12:30 p.m.</td>
<td>Continued discussion of Racial Equity Statement and Fiscal Impact Statement</td>
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<td>1:50 p.m.</td>
<td>Closing remarks, next steps for public comment period, meeting adjourns at 2 p.m.</td>
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Note: Times subject to change and topics may begin and end earlier than listed.
Webinar Tips

- Join audio either by phone or computer, not both
- For panelist discussion and comments, use the raise hand button to get in the queue; if by phone press *9
- This meeting is being recorded
- For Zoom technical issues email stephanie.caldera@deq.oregon.gov or text 971-279-9517
Meeting ground rules

- Listen and treat everyone with respect
- Allow one person to speak at a time – raise hand
- Move around and take care of yourself as needed
- Focus constructive comments racial equity and fiscal impact statements
Introductions - DEQ Staff

Cheryl Grabham, Program Manager, Materials Management Product Stewardship Team

Stephanie Caldera, Policy Analyst

David Allaway, Senior Policy Analyst

Arianne Sperry, Implementation Lead

Roxann Nayar, Recycling Program Analyst
Input and Engagement

• Your input is strongly encouraged during and immediately after today’s meeting,
• Comments on the draft rule language should be saved until the formal public comment period has opened
Rulemaking 1 Timeline

- Apr: RAC #6
- May: Public comment period
- Jun
- Jul
- Sept
- Nov: EQC meeting
Follow-up from prior meetings

- Specifically identified materials
- Glass
- Transition period
Specifically Identified Materials

• Designation is an administrative action (not rulemaking)
  – Consultation with Recycling Council and PROs required

• Two consequences:
  – PROs must address SIMs in their program plan
  – May trigger PRO obligation to “responsible end markets” and etc. (ORS 459A.896(2))

Applies to materials collected for recycling and: a) on the PRO Recycling Acceptance List; b) on the Uniform Statewide Collection List; c) identified as a SIM; or d) recycled in an effort to achieve the statewide plastics recycling goal.
What Can Be a SIM?

Any covered product, including:

• An item on the Local Government Recycling Acceptance List (e.g., polycoated and aseptic cartons)
• An item on the PRO Recycling Acceptance List (e.g., aerosol cans)
• Any other covered product (e.g., toothpaste tubes, motor oil bottles, PET thermoform clamshells)
Glass

- Proposed rule concept (Dec. 28, 2022):
  - Mandatory on-route collection in Metro region (non-residential only)
  - PRO depots elsewhere (on-route collection possible)

- Screening level LCA (DEQ) and economic assessment (Cascadia/DEQ) arrive at conflicting results
  - Significant uncertainty and variability between communities
  - Future conditions add more uncertainty:
    - Bottle bill expansion?
    - Pozzolan end markets?
Glass (continued)

• Statute and rule provides additional support for voluntary on-route collection

• Today DEQ is confirming:
  – No change to our rule concept
  – On-route collection of glass may be justified (environmentally) in some additional cases

• Further study could be warranted . . .
  . . . and results could still be highly site- and context-specific
Transition period update

By July 1, 2025:

• Producers must join a PRO
• PROs must begin implementing their program plan
  – Coordinated activities will start sooner
• Commingled recyclables must be directed to processing facilities that are permitted/certified
  – Permit/certification requirements begin (some ramp up)
Transition period update (continued)

- Uniform Statewide Collection List becomes effective July 1, 2025
- Extension possible for local governments waiting on PRO-funded capital (trucks, carts, reload facility) funded under the initial needs assessment
Overview of Draft Rules

Background

The Oregon Department of Environmental Quality is conducting the first of two rulemakings to clarify and implement the Plastic Pollution and Recycling Modernization Act. The objective of the rulemaking is to propose rules related to the following topics:

- Producer Responsibility Organization Plan content
- DEQ administrative fees
- Funding and reimbursement for eligible expenses incurred by local governments
- Materials approved for recycling collection in Oregon and for certain materials, collection targets, convenience standards and performance standards for recycling

Developing draft rules

DEQ began the rulemaking in July 2022 through a process that adheres to the public process requirements established in the Oregon Administrative Procedures Act. DEQ is developing program rules to propose for the Environmental Quality Commission’s consideration. The EQC is a decision-making body that adopts proposed rules into Oregon administrative law.

A guide to the draft rules
Division 90 - RECYCLING AND WASTE REDUCTION
Racial Equity Statement

• Requirements:
  – State agencies are required to provide a statement identifying how adoption, amendment, or repeal of proposed rules will affect racial equity in Oregon
  – Racial equity is not defined
  – The ordinary meaning of “racial equity” is treating people of all races fairly, justly and without bias.
Racial Equity- PRO Obligation Rules

Responsible End Markets will have positive impacts on communities, worker safety, public health
Local Governments will be eligible for funding that has positive impacts on recycling services, reducing financial barriers and supporting standards for service.
Racial Equity – Recycling Acceptance Lists

Recycling Acceptance Lists rules will have positive impacts with convenience and performance standards, service standardization, service equity.
Discussion Questions

• What persons and groups are subject to the rules?
• What racial groups are likely to be most concerned and affected by the issues addressed in the rule?
• Is there any data that helps to determine racial equity impacts?
• What unintended adverse consequences might the rules have on racial equity?
Break
Public Input Period
Fiscal Impact Statement

• Requirements:
  – DEQ must provide notice of fiscal impact for proposed rules
    • Impacts can be both positive and/or negative
Fiscal Impact Statement

• RAC’s role
  – Help DEQ consider fiscal and economic impact of the proposed rules
    • Is there a fiscal impact for certain entities and if so, what is the extent of the impact?
    • Is there a potential significant adverse impact on small businesses, and if so how can it be mitigated?

  – DEQ will consider this input as we review and update the initial draft fiscal statement for the public notice
Fiscal Impact Statement

• Required Elements
  • Analysis of significant impacts of the proposed rule on:
    » Large businesses
    » Small businesses
    » State and federal agencies
    » Local government
    » Public
    – Possible mitigation measures for impacts on small businesses
    – Housing cost
Fiscal Impact Statement

• Introduction
• Fee Analysis
• Statement of Fiscal and Economic Impact
  ➢ Statement of Cost of Compliance
• Housing Costs
Statement of Fiscal and Economic Impact

Potential impacts on:
- State agencies
- Local governments
- Producer Responsibility Organizations
- The public
- Businesses
  - Large
  - Small
  - Collection service providers
  - Commingled processing facilities
  - Producers
  - System users
- Local government compensation rules
- PRO obligation rules
- Material acceptance list rules
Discussion Questions

• RAC’s role
  – Help DEQ consider fiscal and economic impact of the proposed rules
    • Is there a fiscal impact for certain entities and if so, what is the extent of the impact?
    • Is there a potential significant adverse impact on small businesses, and if so how can they be mitigated?
Lunch Break
Discussion continued
Next steps for rulemaking 1

- May: Open of Public Comment Period
- June: Public Hearings
- November: EQC Meeting for rule adoption
Comments and Updates

Email formal public comments to:
recycling.2023@deq.oregon.gov

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