

Intent: The state has an established waste hierarchy: reduction, reuse, recycling, incineration and landfilling. Yet, most of the funding in the state goes to the bottom two rungs of the hierarchy - burning and burying waste - with enormous environmental and economic consequences. This bill puts the goals of the hierarchy into practice by prioritizing waste reduction.

Summary: This bill would reduce unnecessary and excessive packaging by 50% over ten years, ensure minimum recycling rates of 70% over twelve years, make packaging safer by banning the use of certain known toxic chemicals and materials, and create a system whereby companies are financially responsible for managing their product packaging after it has been discarded by consumers. This bill would relieve the financial burden on taxpayers for recycling discarded packaging and reduce the reliance on single-use packaging by funding reuse and refill systems and improving recycling systems.

Main features of this bill:

- 1. Packaging reduction targets must be met by individual producers.** The packaging reduction requirements are measured against the total amount of packaging for *each material separately*, by weight, that the producer was responsible for during the first year the producer registers with the Packaging Reduction Organization. New producers must register with the Packaging Reduction Organization upon entering the state; the amount of packaging during their registration year becomes their baseline against which future reductions are measured. The reduction requirements are:
 - a. 10% reduction two years after registering
 - b. 20% reduction four years after registering
 - c. 30% reduction six years after registering
 - d. 40% reduction eight years after registering
 - e. 50% reduction ten years after registering.

- 2. Minimum packaging recycling rates required of individual producers**
 - a. 30% five years after the law passes
 - b. 50% eight years after the law passes
 - c. 70% twelve years after the law passes.

- 3. Prohibitions on certain toxic substances and materials in packaging.** Section 12 of the bill bans 14 toxic substances from packaging two years after rules are adopted, as well as polyvinyl chloride, polystyrene, and polycarbonate as packaging materials. It creates a regulatory system for banning additional toxic substances. The toxics section becomes effective three years after new state regulations are adopted.
- 4. Producers of packaged products must participate in a Packaging Reduction and Recycling Program, to be overseen by the Department of Environmental Protection (or its state-specific equivalent), and carried out by a Packaging Reduction Organization (PRO) that is under contract with the Department.** Producers will pay fees, which are set by the Department, to the Packaging Reduction Organization, which will use the money for the following:
- a. Pay for its role in carrying out the program.
 - b. Reimburse the Department and all other government agencies and offices that are overseeing the program.
 - c. Fund a needs assessment to determine the current statewide amount of packaging discarded, recycling rates by material, and costs of waste reduction and recycling. It is also tasked with identifying barriers and opportunities for reduction, reuse, and recycling. The needs assessment must be updated every five years.
 - d. Reimburse local governments for the costs associated with the reduction and recycling of packaging. Local governments are only entitled to reimbursement if they offer recycling services to all residents in their jurisdiction, free of charge. Other entities that provide for recycling services, such as schools and other public institutions, are also eligible for reimbursement.
 - e. 25% of the collected funding for investments into programs and systems that will reduce packaging and/or increase recycling, as identified in the needs assessment. The Packaging Reduction Organization will solicit proposals and make recommendations about which investments should be funded. The Department may approve or deny the recommendations.

What Are Producers Required to Do?

1. Comply with the packaging reduction requirements of the law
2. Comply with the packaging recycling requirements of the law
3. Comply with the prohibitions on toxic substances in packaging
4. Register with the PRO and pay fees based on the quantity and type of packaging material they use
5. Submit information to the PRO and the Department that are necessary to (1) calculate the producer's payments, and (2) ensure compliance with the law

What is the Packaging Reduction Organization (PRO) Required to do?

1. Register all producers
2. Collect and compile data from producers
3. Collect fees and deposit them into the Packaging Reduction Fund.
4. Disburse funds for the following: (a) the administrative fee for the PRO (b) funding the work of the department related to the program, (c) reimbursement to local government, and (d) investments in recycling/reuse programs so long as they are approved by the Department
5. Offer technical support to producers
6. Submit an annual report to the Department
7. Provide education and outreach to consumers, producers, and retailers about reduction, reuse, refill, and recycling

What is the Environmental Department Responsible For?

1. Enforcing the law.
2. Promulgating rules. This includes establishing fees. Fees must be revised every five years.
3. Contracting and Oversight of the PRO, including:
 - a. working in conjunction with the Office of Inspector General and the Office of the Attorney General
 - b. Revoking the PRO's authorization to operate if it is deemed to be failing
4. Contracting with a third-party to perform the needs assessment, and reporting those results to the legislature, the Governor, the Comptroller, the Attorney General, the media, and the public. Needs assessment must be revised every five years.
5. On an annual basis:
 - a. Calculate the amount of packaging that is generated during the prior calendar year
 - b. Calculate the reduction and recycling rate for each type of packaging material
 - c. Develop a list of producers believed to be out of compliance with the law and take action to secure compliance.