

Maryland Advisory Council Best Practice Packaging EPR

July 25, 2024

Scott Cassel

CEO and Founder, Product Stewardship Institute



**PRODUCT
STEWARDSHIP
INSTITUTE**

Who is PSI?

- 40 years in waste management – wrote 4 solid waste master plans in Massachusetts
- **National nonprofit:** 23 years
- **Focus:** Consumer products and packaging
- **Members:** State & local govt's – governance
- **Partners:** Business, non-profits, int'l gov'ts, academic
- **Collaborative problem solver**
- **Multi-stakeholder engagement**

PSI'S WORK



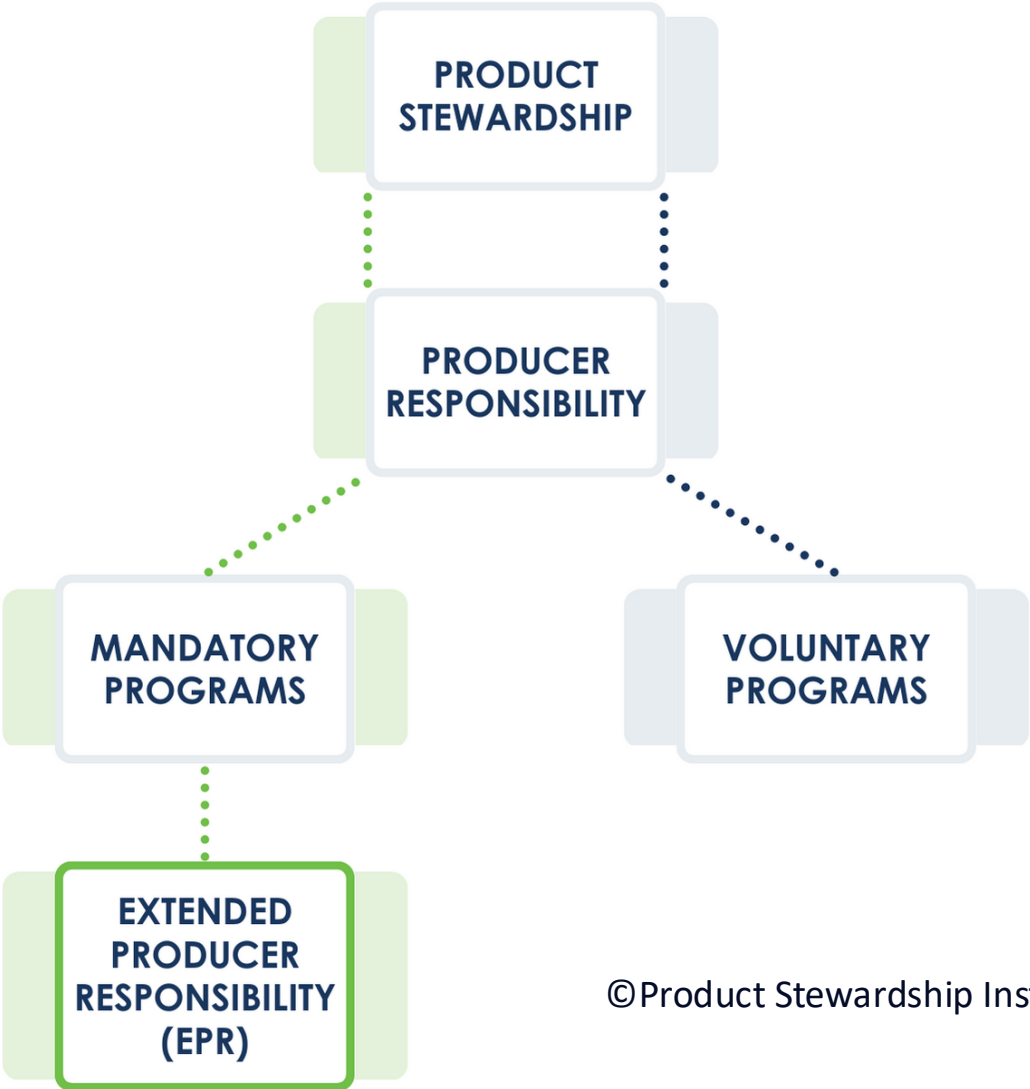
PSI Role in Maryland Bill Development

- **2021–2022:** technical packaging EPR advisor to Treasurer Brooke Lierman (former MD Delegate) – objective
- **2023:** technical packaging EPR advisor to Sen. Malcolm Augustine and Del. (Sen.) Sara Love – SB 222 – objective
- Worked with AMERIPEN, Trash Free Maryland, and others on SB 222
- SB 222 – one of the more producer-friendly bills

PSI Role in Other State Packaging EPR Bills

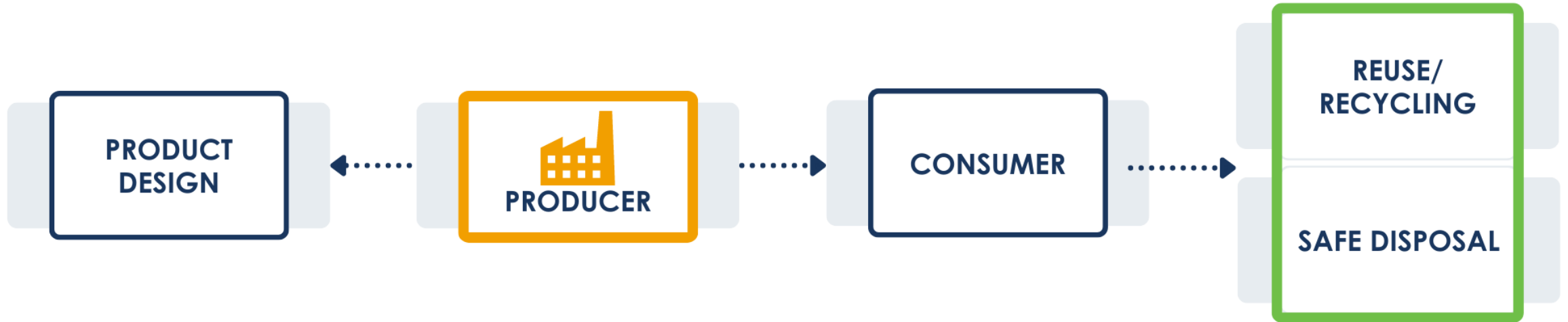
- Facilitating Advisory Council in CO to implement packaging EPR law.
- Developed packaging EPR models for 15 years with government agencies.
- Facilitated multi-stakeholder development of packaging EPR bills in MN, NY, (2020), CT, VT, and others.
- Mediated agreement in 2020 with Flexible Packaging Association and governments.

EPR AND PRODUCT STEWARDSHIP



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EXTENDED PRODUCER RESPONSIBILITY



A **law** that **extends** a producer's financial and managerial **responsibility** for its products and packaging beyond the manufacturing stage — both **upstream** to product design and **downstream** to **postconsumer** reuse, recycling, or safe disposal.

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EPR: Network of Accountability

- Producers
- Collectors
- Recyclers
- Retailers
- Municipalities
- State agencies
- Consumers



WHY IS CHANGE NEEDED?



EXTENDED PRODUCER RESPONSIBILITY

Municipal management of trash



Volunteer recycling



Municipal-funded and managed recycling programs

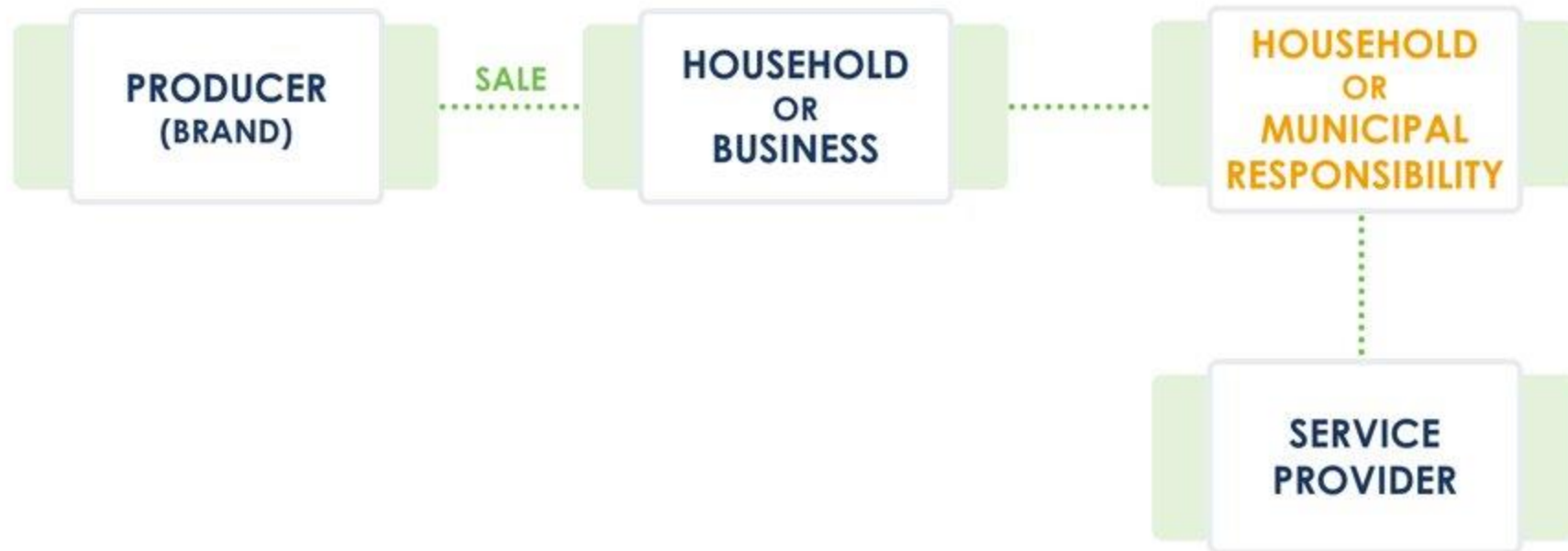


Producer-funded and managed recycling programs with multi-stakeholder accountability



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Fragmented Recycling System

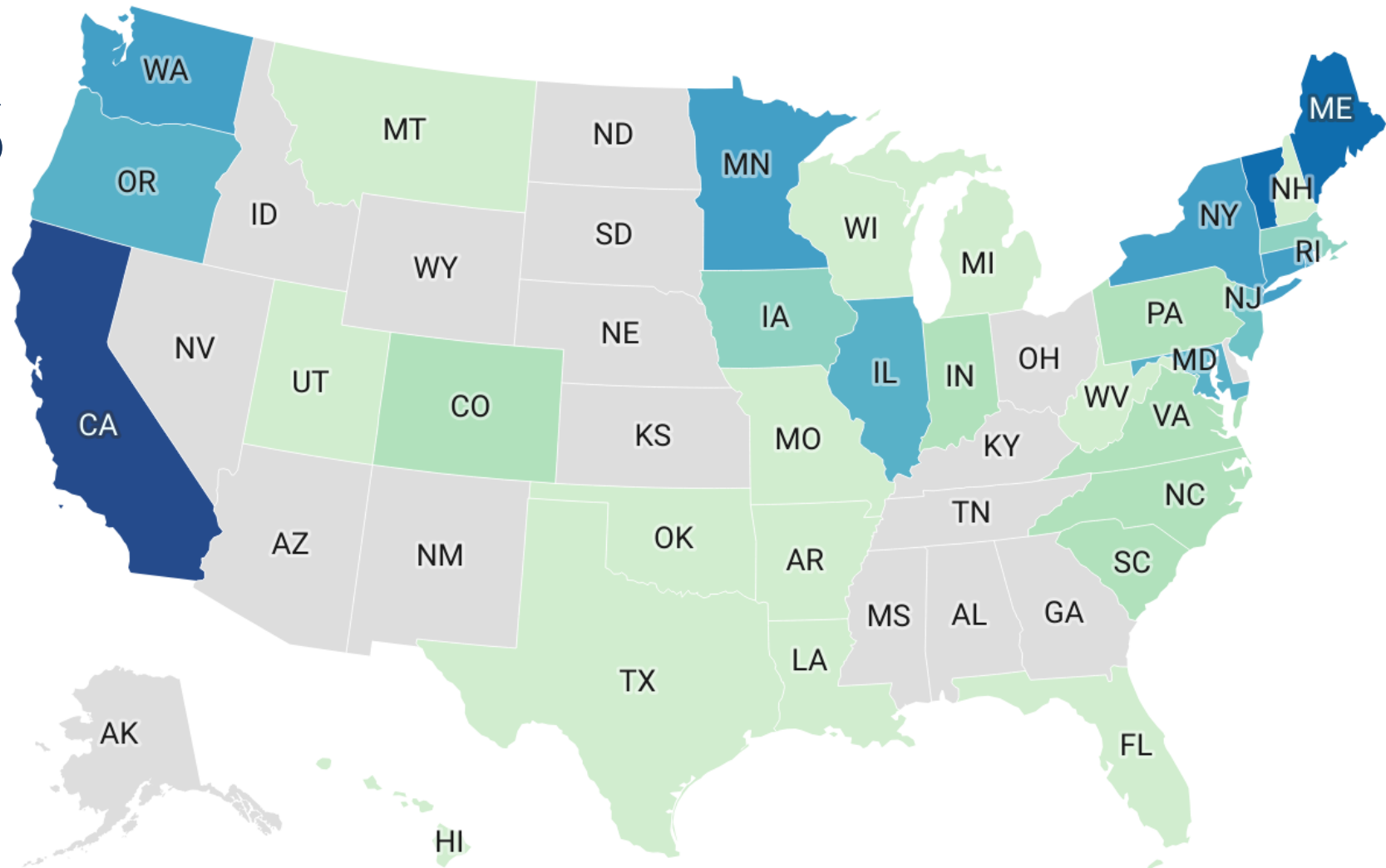


What is Extended Producer Responsibility (EPR)?



U.S. EPR LAWS 2024

139 laws
19 products
33 states

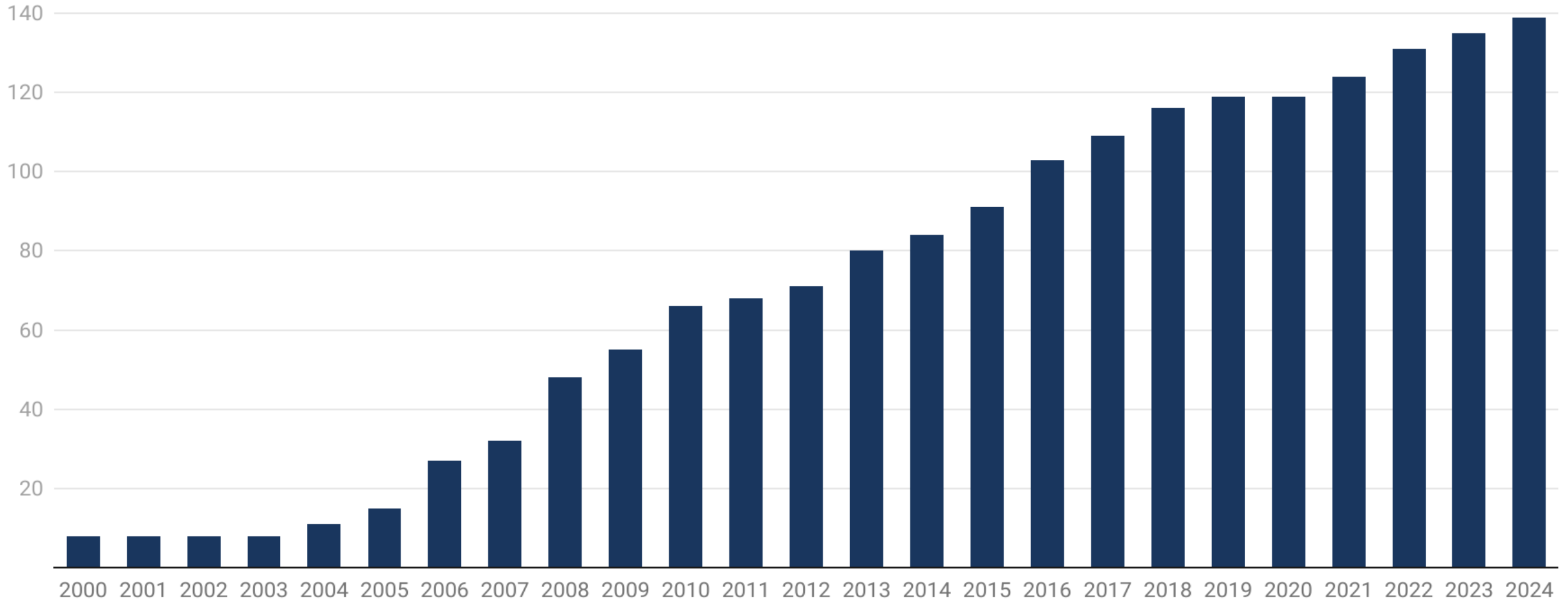


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Number of State EPR Laws



U.S. EPR LAWS SINCE 2000

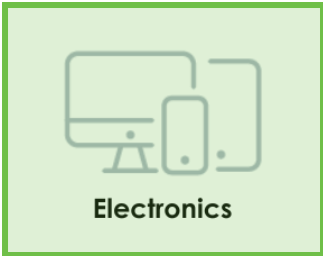
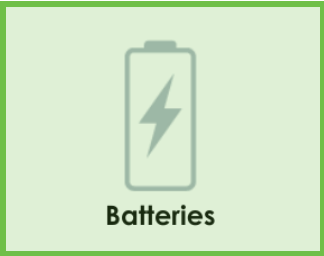


PSI Founded



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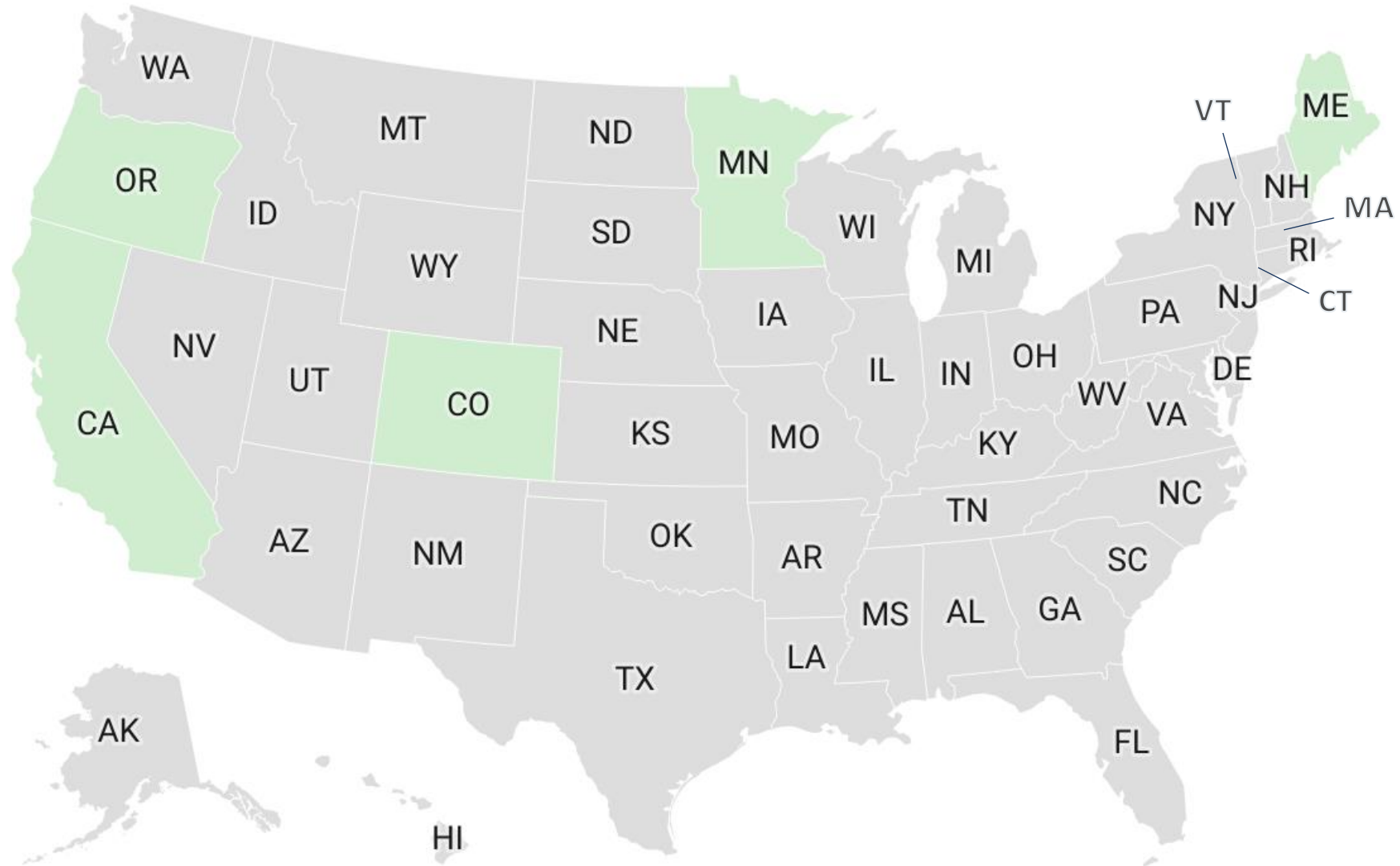
Product Categories



ELEMENTS OF EFFECTIVE U.S. EPR LAWS

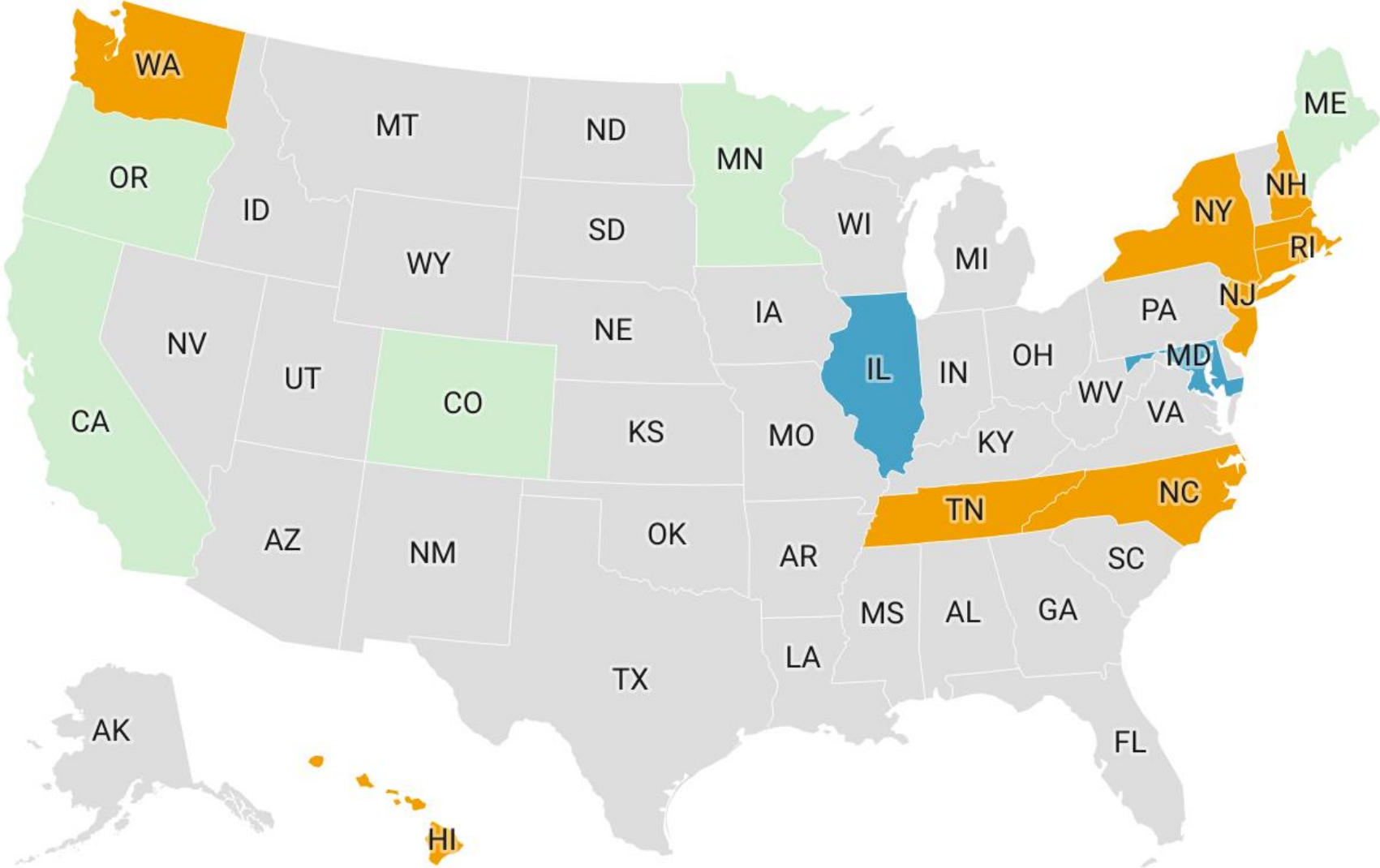
Covered Materials/Products	Governance (PRO, Advisory, Govt)	Performance Standards	Stewardship Plan Contents
Covered Entities	Funding Inputs	Outreach & Education Requirements	Annual Report Contents
Collection & Convenience	Funding Allocation	Equity & Environmental Justice	Implementation Timeline
Responsible Party ("Producer")	Design for Environment	Enforcement & Penalties for Violation	Additional Components & Definitions

5 U.S. PACKAGING EPR LAWS



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12 U.S. Packaging EPR Bills (2023/2024)



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European & Canadian Packaging EPR



Europe – 35+ years

- Transitioning to eco-modulated fees and aligning with the EU Packaging and Packaging Waste Directive



Canada – 15+ years

- Programs established in 9 of the 13 political jurisdictions
- Transitioned from shared to full EPR programs

Producer Statement on European EPR Programs

- *Globally, industries in more than 40 countries rely on EPR as a key economic tool to ensure the collection and recycling of used packaging.*
- *Throughout the EU, packaging recovery is now over 60% for all countries, with significantly higher rates in Germany and Belgium (over 80%).*
- ***With ten years of experience with numerous country packaging EPR programs...I can assure you that the product prices have not been increased significantly and that EPR has not led to a higher inflation rate.***

Joachim Quoden, Director of the Extended Producer Responsibility Alliance (EXPRA)
Written Testimony to Connecticut State Legislature (2023)

(EXPRA represents the interests of 31 allied *EPR for packaging and packaging waste recovery and recycling organizations from 29 countries, including 19 European Union Member States and Quebec in Canada)*

Key Policy Choices

Covered Materials

- Packaging (including reusable packaging)
- Paper products
- Packaging-like products (including food serviceware)

Performance Goals

- Waste reduction, reuse, recycling, composting, PCR content
- Include in statute with **date for baseline goals** to be developed and **date for MDE to set standards** based on AC input.

Covered Entities

- All entities currently served by local government (baseline)
- Residential and/or commercial and/or schools and/or public spaces

Collection & Convenience

- Recycling to be as easy as trash disposal



Key Policy Choices

Responsible Party (tiered)

- Brand owner/manufacturer
- Brand owner/licensee
- Importer. First sale into state

Governance

- PRO, AC, Government, Facilitator of AC

Funding Inputs & Outputs

- Inputs - 4 aspects of eco-modulated fees
- Outputs – allocated based on Needs Assessment

Annual Report

- Evaluation provides the opportunity to course correct



“Eco-Modulated” Packaging Fees



Producer fees based on **the material itself**



Producer fees based on **quantity of the material put on the market**
(reuse/refill - lower/no cost)



Producer fees based on **cost to the system**
(how expensive is it to manage)



Producer fees based on **other environmental factors**
(recycled content, carbon impact, litter contribution, toxics)

Phase in Policy Over Time

Phase in aspects of the bill over time and continue to build a stronger policy

Policy Options

- Include in **existing law**.
- Require agency to develop **regulation** by specific date.
- Require PRO to **propose plan** for adding aspect by a specific date and have it reviewed by Advisory Council and approved by agency.



What to include in Statute, Rule & Plan?

	Oregon	Maine	Colorado	California	Minnesota
Product Exemption	Statute/Rulemaking	Statute/Rulemaking	Statute/Rulemaking	Statute/Rulemaking	Statute/Rulemaking
Reimbursement Mechanism	Rulemaking/ Program plan	Rulemaking/ Program Plan	Statute/ Program plan	Program plan	Program plan
Eco-modulated fees	Statute/ Rulemaking/ Program plan	Rulemaking	Statute/ Rulemaking/ Program Plan	Statute/ Program plan	Statute/ Program plan
Performance Goals	Statute/ Rulemaking/ Program plan	Rulemaking	Program Plan	Statute	Rulemaking/ Program Plan
Readily Recyclable List	Rulemaking/ Program Plan	Rulemaking	Program plan	N/A	Other (State Develops)
Convenience Standards	Rulemaking	N/A	In Statute	N/A	N/A

What Needs to be Harmonized Nationally

- Labeling
- Definitions (recycling, composting, reuse, PCR content)
- Sequencing of law implementation
- Eco modulated fees
- ***Many others...***



Current Implementation Status of 5 laws

	Oregon	Maine	Colorado	California	Minnesota
Signed Into Law	August 2021	July 2021	June 2022	June 2022	May 2024
Needs Assessment Completion	July 2023	18 months after entering into contract with Department (likely by July 2026)	March 2024	December 31, 2025	December 31, 2026 (preliminary assessment is due on December 31, 2025)
Producer deadline to join PRO	September 27, 2024 (when CAA must submit list of registered producers)	Mid-2026 (6 months after SO is selected)	October 1, 2024	January 2024	July 2026
Program Plan Due	March 2024	Before January 2026	February 2025	Expected Mid-2026	October 2028
Implementation Date	July 2025	April 2026	January 2026	January 2027	January 2029

Key Lesson Learned

**Need for
multi-stakeholder decisions**



FREE WEBINAR

PACKAGING EPR IN MINNESOTA: UNPACKING THE PROCESS



August 7, 2024



12:00 - 1:30 ET

SPEAKERS:

Kirk Koudelka, Minnesota Pollution Control Agency (MPCA)

Mallory Anderson, Hennepin County

Lucy Mullany, Eureka Recycling

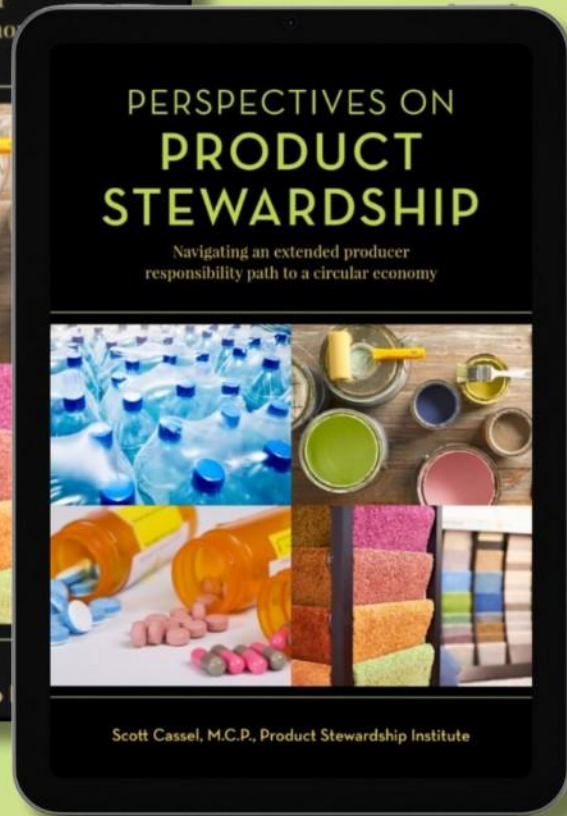
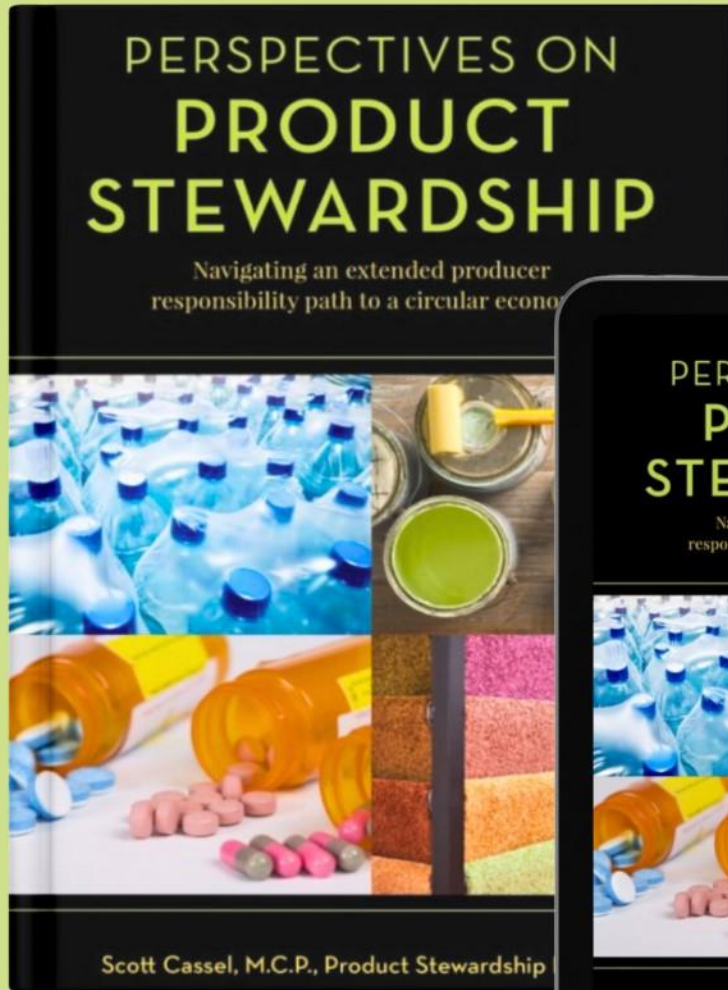
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Scott Cassel, CEO and Founder, PSI

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