

Rulemaking Advisory Committee Meeting #1

Plastic Pollution and Recycling Modernization Act

July 13, 2023
Zoom Webinar

Agenda

Time	Topic
9 a.m.	Welcome and meeting overview
9:10 a.m.	Introductions
9:30 a.m.	Rulemaking orientation
9:50 a.m.	Recycling Modernization Act background
10:15 a.m.	Break*
10:30 a.m.	Overview of some Rulemaking 2024 topics
11 a.m.	Rule concept presentation and discussion: Living Wage and Supportive Benefits*
12 p.m.	Public input
12:15 p.m.	Continue discussion and next steps
12:30 p.m.	Meeting adjourns*

*Note: Times subject to change and topics may begin and end earlier than listed

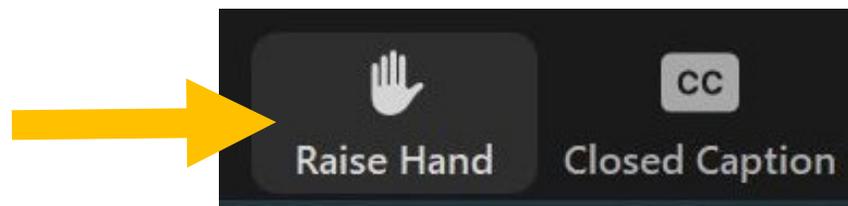
Webinar Tips

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 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
 - please raise your hand
- Move around and take care of yourself as needed
- Share constructive feedback on rule concepts



Introductions- DEQ Staff



Arianne Sperry, RMA Implementation Lead; lead for contamination-reduction programs topic



Roxann Nayar, RMA Rulemaking Coordinator



Stephanie Caldera, lead for living wage and supportive benefits topic

Introductions- DEQ Staff



Nicole Portley, PRO Program Plan lead; lead for life cycle impact evaluation, covered product exemption topics



Justin Gast, lead for processor permit/certification and fees topics



Blaine Mershon, lead for Material Impact Reduction and Reuse topic

Introductions- RAC

Name	Affiliation	Representing
Maria Gabriela Buamscha	Lanin Iman Consulting	Community
Claire Dorfman	Amazon	Producer
Rob Jones (alternate for Chris Drier)	Waste Management	Commingled Recycling Processing Facility
Rick Dukes	H2 Compliance	Producer Responsibility Organization
Sydney Harris	Upstream Solutions	Environmental
Marcel Howard	GAIA	Environmental
Warren Johnson	Metro	Local Government
Kristin Leichner	Pride Disposal	Service Provider
Doug Mander	Circular Action Alliance	Producer Responsibility Organization

Introductions- RAC

Name	Affiliation	Representing
Catherine McCausland	Reverse Logistics Group Americas	Producer Responsibility Organization
Neil Menezes	General Mills	Producer
Katy Nesbitt	Wallowa County	Local Government
Rick Paul	Rimrock Recycling	Community
Will Posegate	Garten Services Inc.	Commingled Recycling Processing Facility
Tracey Reed	Rogue Basin Partnership	Community
Greg Ryan	Pioneer Recycling Services	Commingled Recycling Processing Facility
Dave Larmouth (alternate for Aimee Thompson)	Dahl Disposal Service	Service Provider

Role of the RAC

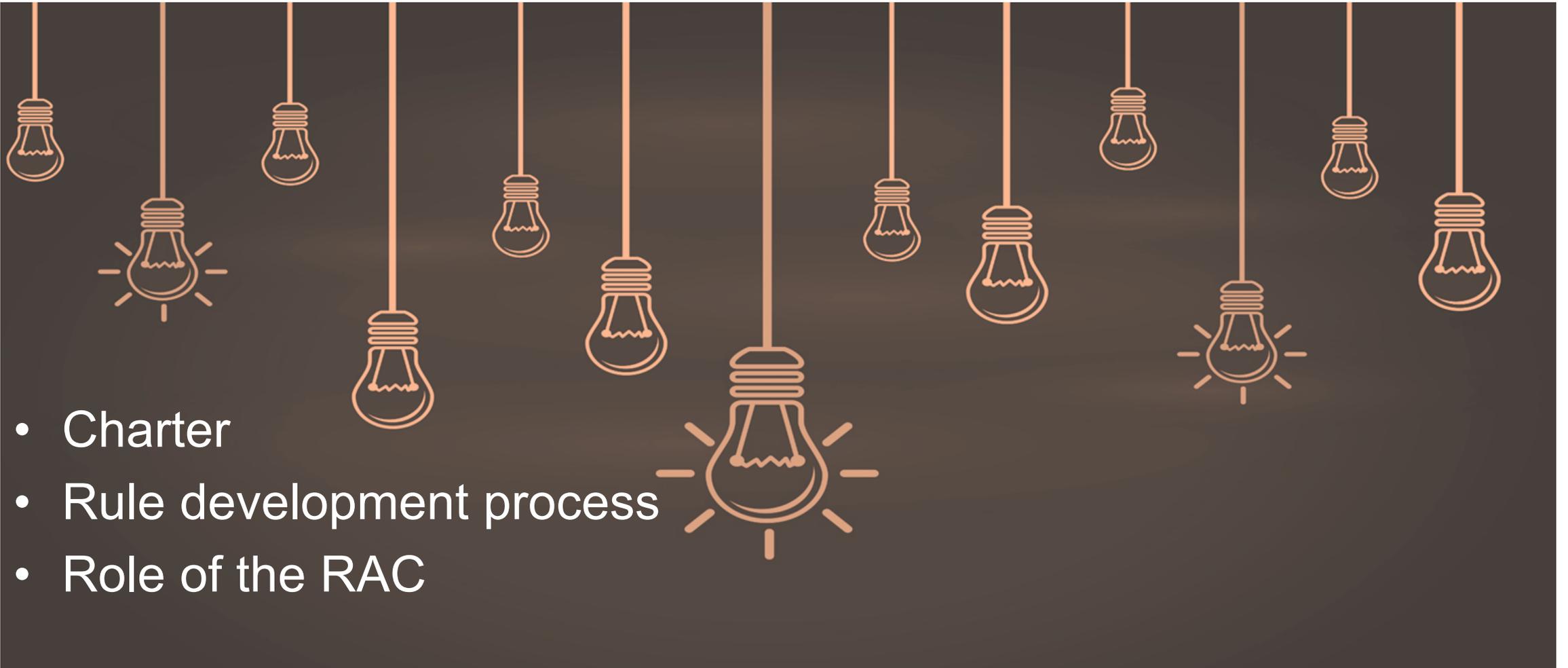
- Part of the public involvement process
- **Advisory-only**, not a decision-making body
- Provides **feedback** and comments on proposed rule concepts
- Input is **not limited** to these meetings



Rulemaking Timeline: 2023-2024



Rulemaking Orientation



- Charter
- Rule development process
- Role of the RAC

Committee Charter

- Roles
 - DEQ facilitator
 - Committee
 - Non-committee attendees
- Committee meetings
 - Open to the public
 - Advertised through the GovDelivery notice
 - Accessible via Zoom webinar
- Decision making responsibilities
- Public involvement



Rule Development Process

- Background research and engagement
- Consultation with RAC
- Draft rule language
- Public notice rule language



Developing rule language

Rule Number	Rule Title	Explanation
		Oregon Uniform Trade Secrets Act. It also establishes a list of information that will not be considered proprietary.
OAR 340-090-0720	Program Calendar	<p>This rule establishes the calendar for program plan periods, with the first plan period starting on July 1, 2025, and running for three calendar years (2025-2027). All subsequent plan periods will run for five years and begin on Jan. 1 of the first year, concluding on Dec. 31 of the fifth year. Per statute, renewal plans must be submitted by existing PROs 180 days before the end of a program plan period</p> <p>The rule indicates that new PROs can submit draft program plans during the 180-day renewal periods or at other times with prior department approval.</p>

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Questions?



RMA History



Recycling

Challenges

Public confusion over what can be recycled.

Unstable markets and unfavorable economic signals

No assurance of responsible recycling

Inequities throughout the recycling system



Statewide collection list, promotion and educational materials



Commodity risk fee protects ratepayers



Processor permitting



Responsible end markets and social equity elements

Plastic Pollution

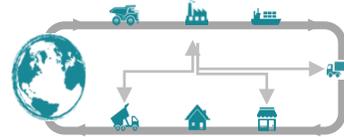
Challenges

Increasing production and consumption of single-use plastic

Increasing plastic pollution and waste

Lack of reduction goals, accountability

More waste and more recycling over time



Solutions

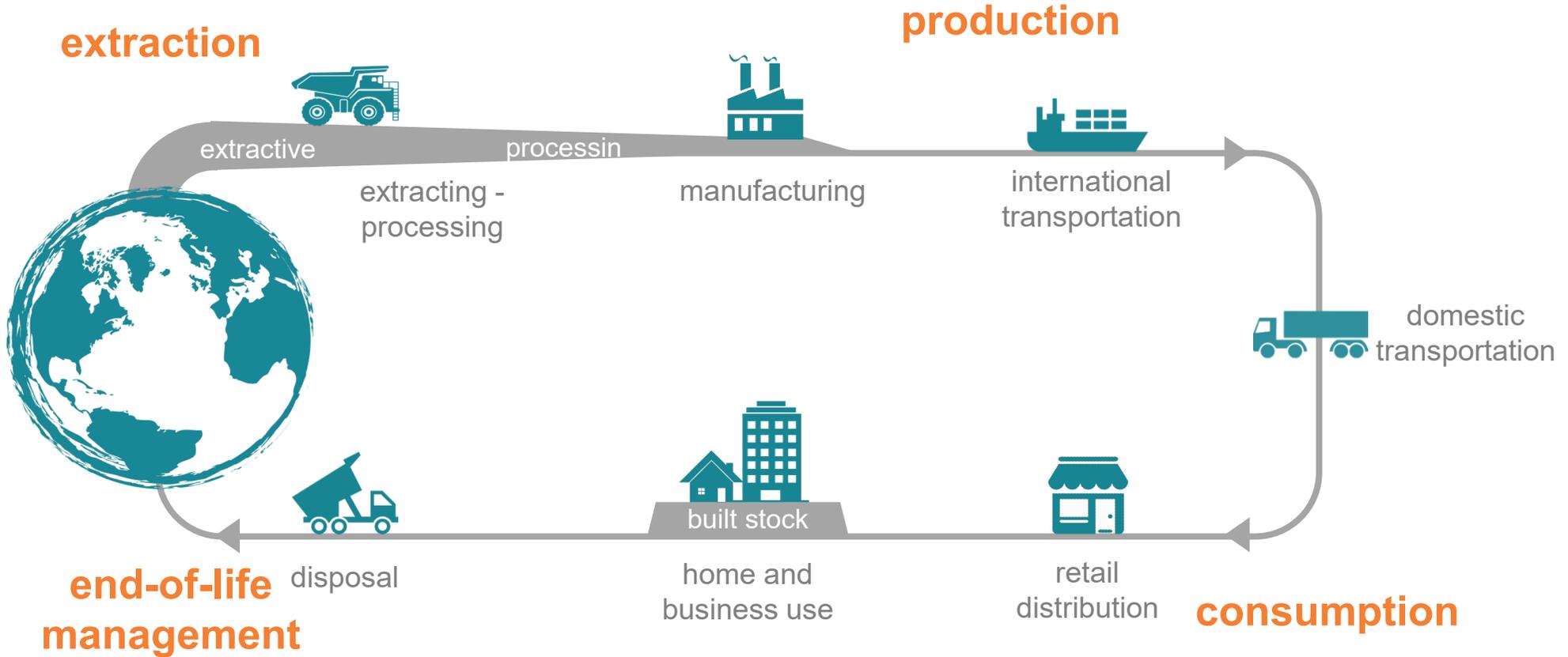
Waste prevention programs

Reducing lifecycle impacts

Plastic packaging recycling goals

Recycling becomes easier and more accessible

Extended Producer Responsibility



Key Roles

Producers	Join a PRO and pay annual membership fees
PRO(s)	Collect producer fees and administer the program
Local Govts, Service Providers	Update recycling services to meet standards
Processors	Meet new permitting and certification standards
DEQ	Implement and oversee the Act
Recycling Council	Advise DEQ and the PRO(s)

Questions?



Break



Rule Topics Preview

Meeting 1	Living wage and supportive benefits, part 1
Meeting 2	Material Impact Reduction and Reuse Program Contamination reduction programs and Oregon's diverse communities
Meeting 3	Recycling processor permit and certification programs Life cycle impact evaluation and disclosure standards, part 1 Living wage and supportive benefits, part 2
Meeting 4	Fees for recycling processors Covered product exemptions and defining packaging Life cycle impact evaluation and disclosure standards, part 2
Meeting 5	Local government reimbursement for contamination evaluation Refining definition of "recyclable material"
Meeting 6	Draft Racial Equity and Fiscal Impact Statements Preview of draft rules

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Material Impact Reduction and Reuse Program

The Act requires:

- “program to reduce the environmental impacts of covered products”
- “means other than waste recovery”

ORS 459A.941



Criteria

DEQ may:

- Enter into agreements
- Provide grants or loans

Must consider:

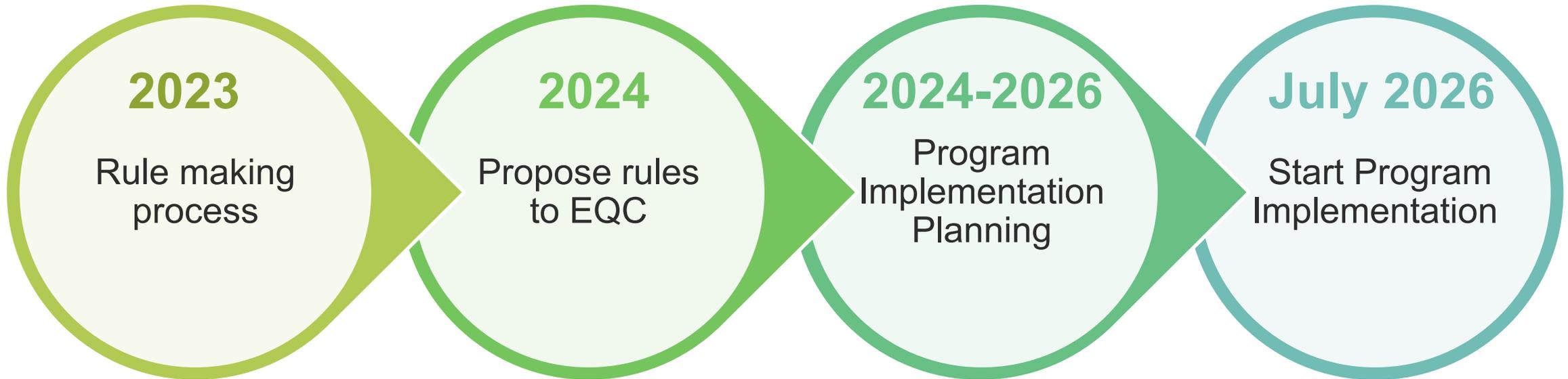
- environmental benefits
- human health benefits
- social and economic benefits
- cost-effectiveness
- needs of economically distressed or underserved communities.



Covered products

Anticipated Timeline

- September 2023 rule concept
- 2024 proposal to EQC



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Processor Permit and Certification Programs



Picture courtesy of Justin Gast

Permitted facilities will be required to:

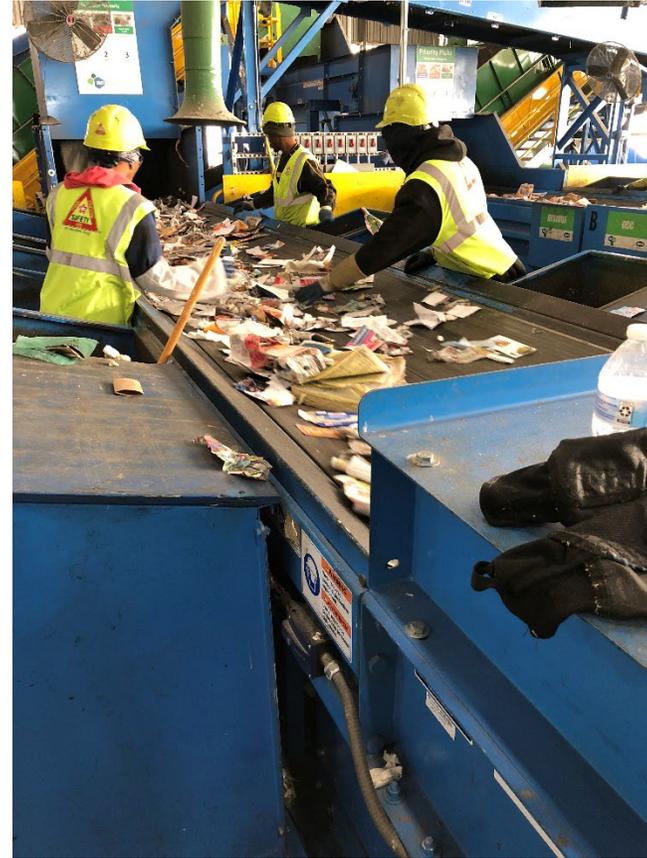
- Sort and manage materials to reduce contamination.
- Market materials to responsible end markets.
- Evaluate and report on inbound material quality and contamination.

ORS 459A.955

CRPF Fees



Picture courtesy of Dylan de Thomas

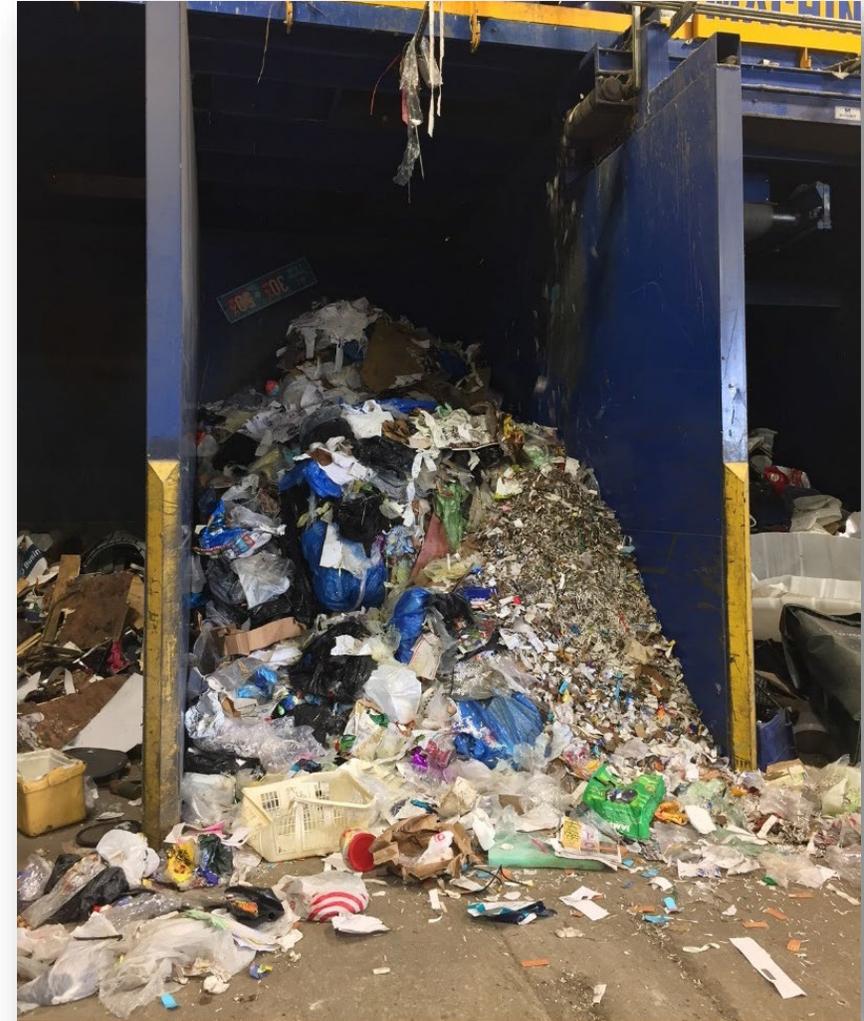


Picture courtesy of Justin Gast

Contamination Management Fee

Contamination Management Fee is a per-ton fee to be paid by PRO(s) to compensate processors for the costs of removing and disposing covered products that are contaminants.

ORS 459A.920



Picture courtesy of Justin Gast

Processor Commodity Risk Fee



Picture courtesy of Justin Gast

Processor Commodity Risk Fee is to be paid by the PRO(s) to processors to ensure that producers share in the costs of fully processing commingled recyclables.

ORS 459A.923

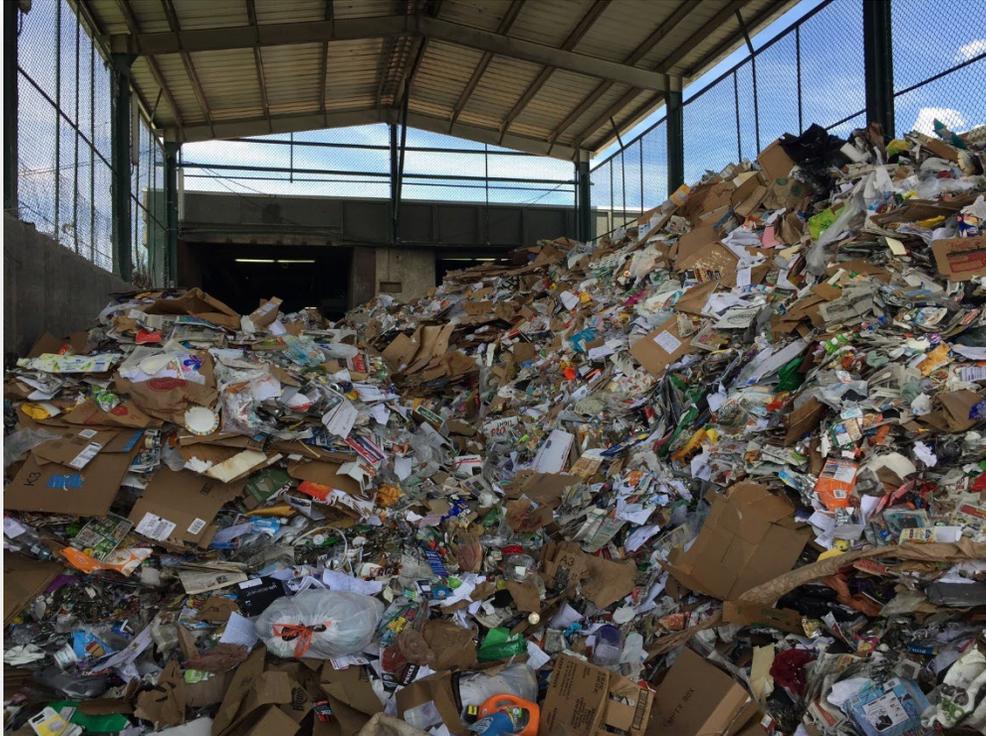
Processor Commodity Risk Fee

- PCRFR will be based on the eligible processing costs of facilities less the average commodity value of recyclable materials processed.
- Anticipated program costs are additional costs related to any new requirements that are anticipated prior to the next review of the PCRFR.



Picture courtesy of Justin Gast

Fees Study



Picture courtesy of Justin Gast

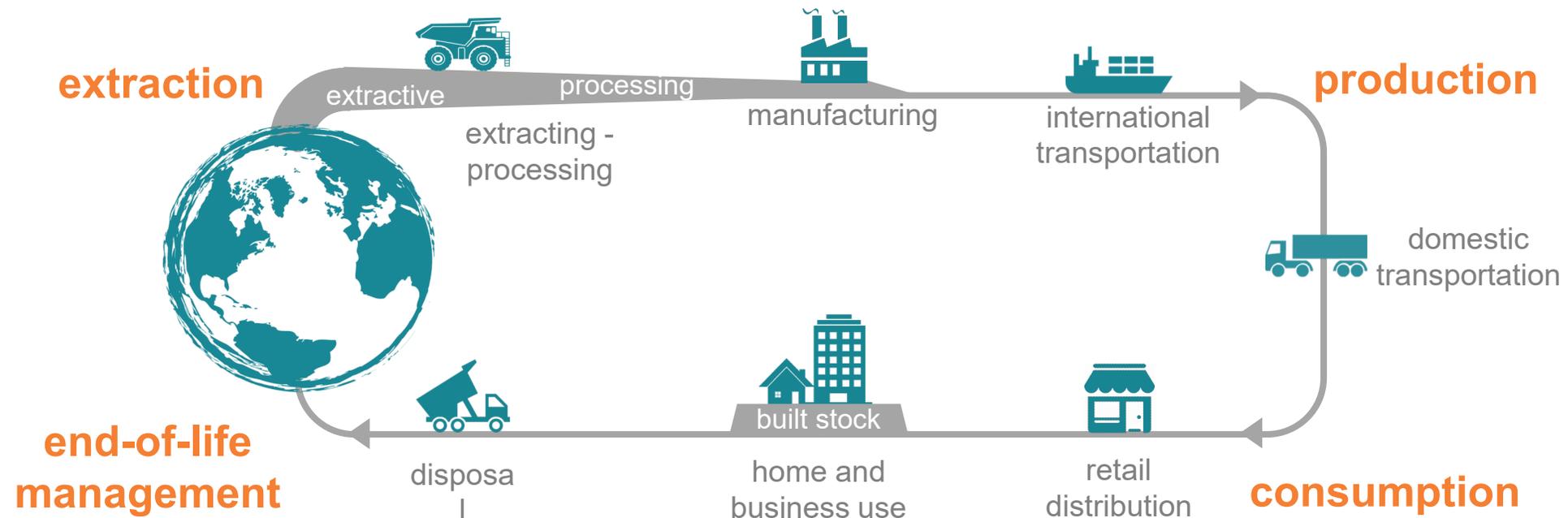
- DEQ contracted a study to inform fee development.
- Both studies are voluntary.
- DEQ will conduct the study every 1-5 years.

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Life Cycle Impact Evaluation

- Reducing environmental impacts of covered products is an overarching goal of the Act *ORS 459A.860*
- Understanding life cycle impacts of products is one pathway to accomplish this.



Large producers must disclose impacts

Largest 25 producers in the state disclose impacts of 1% of their products every two years using standards and methods determined in rule

ORS 459A.944



Products with lower impacts = lower fees

PRO(s) must take life cycle impacts into consideration when developing formula(s) to adjust fees

- (a) Post-consumer recycled content
- (b) Product-to-package ratio
- (c) Producer's choice of material
- (d) Life cycle environmental impacts**
- (e) Recycling rate

ORS 459A.884(4)

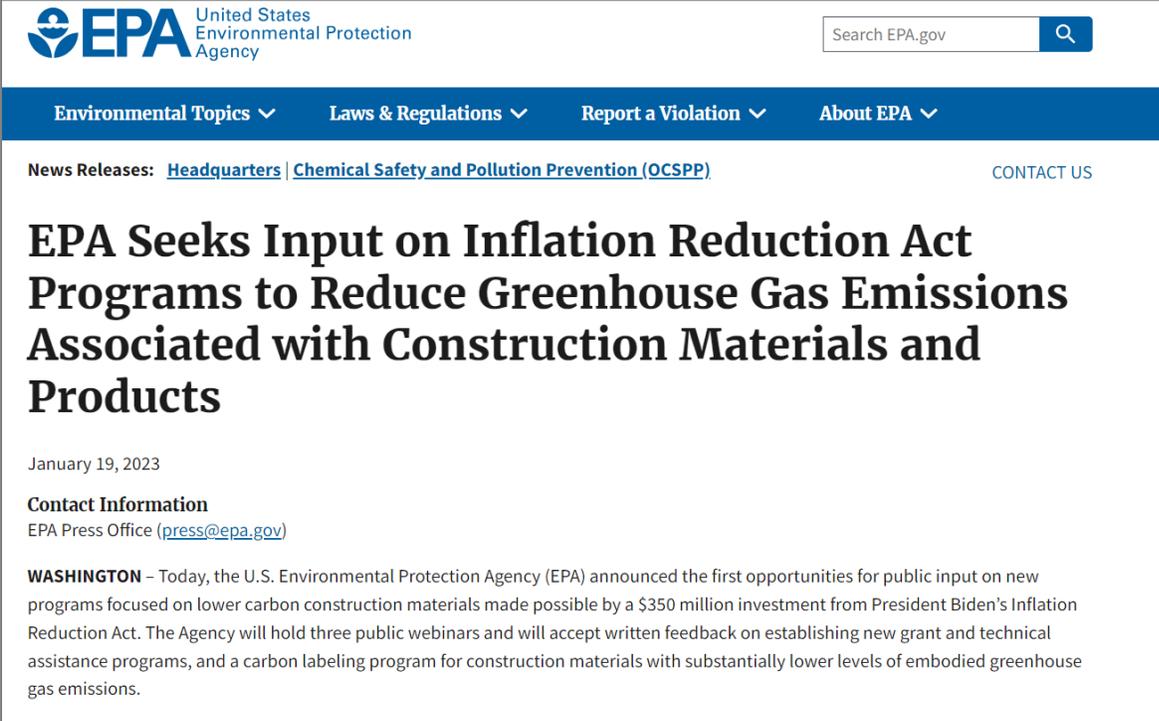


Approach: *Category* + Clarifying Rules

What is a product category rule?

Helps compare impacts of different products. Specifies:

- Scope and evaluation goals
- Calculation methods for specific products
- Requirements for data and sources
- Impact categories
- Report format
- Procedures for reviewing



The screenshot shows the EPA website header with the logo and navigation menu. The main content area features a news release titled "EPA Seeks Input on Inflation Reduction Act Programs to Reduce Greenhouse Gas Emissions Associated with Construction Materials and Products" dated January 19, 2023. The text of the release states that the EPA is announcing opportunities for public input on new programs focused on lower carbon construction materials, funded by a \$350 million investment from President Biden's Inflation Reduction Act. The release mentions three public webinars, written feedback on grant and technical assistance programs, and a carbon labeling program for construction materials with lower embodied greenhouse gas emissions.

Covered Product Exemptions



Covered Product Exemption Request Form

The Plastic Pollution and Recycling Modernization Act includes a definition for covered products, or those products for which producers are obligated to pay fees to a Producer Responsibility Organization. The relevant definition is in ORS 459A.863, with specific exemptions from the definition noted in ORS 459A.863(6)(b). The Oregon Environmental Quality Commission may exempt additional products from the definition of covered product by rule as part of the upcoming rulemaking. A producer of a covered product not exempt under ORS 459A.863(6)(b) can apply for an exemption by submitting a request formatted according to the criteria listed below. DEQ, in consultation with the Recycling Council, will review and make recommendations to EQC regarding whether or not additional exemptions in rule are warranted.

To submit an exemption request, take this document, indicate the product for which an exemption is requested, and insert responses to the four questions directly into the document response fields. Provide your contact information as well. Save the document as “exemption request_ organization name.docx” and submit to RethinkRecycling@deq.oregon.gov during the two month window May 1, 2023, through June 30, 2023.

Requests should not be brand-specific. Prospective respondents are encouraged, as much as possible to, coordinate submission of joint requests for products of mutual interest rather than submit multiple duplicate or overlapping requests.

Respondant contact information

Name: Email:

Organization: Phone:

Product for which exemption is requested:

- A list of exemptions from “covered product” appears in statute at ORS 459A.863(6)(b)(A)-(R)
- (R) in this list is “Any other material, as determined...(in) rule, after consultation with the (Recycling Council).
- Requests received in May-June are being assessed for the strength of their rationale and the likelihood of adverse impacts.

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Racial Equity and Fiscal Impacts

- Racial Equity Statement
 - DEQ must identify how amended, repealed or adopted rule(s) will affect racial equity in Oregon.
- Fiscal Impact Statement
 - Identifies state agencies, local government, small and large businesses and members of the public, that may be economically affected
 - Estimates economic impact on state agencies, local government and the public
 - Projects significant economic impact on businesses
 - Describes the cost of compliance for affected small businesses
 - Estimates housing cost impacts

Questions?



Draft rule concept

Living wage and supportive benefits

- Legislative intent and background
- Proposed definitions
 - “workers at the facility”
 - “living wage” and related data sources
 - “supportive benefits”
- Discussion/Committee feedback



State of Oregon Department of Environmental Quality

Rule Concept: Living wage and supportive benefits

Plastic Pollution and Recycling Modernization Act (SB 582, 2021)
Rulemaking Advisory Committee Meeting 1 of 6, Rulemaking 2

June 29, 2023

Background

This memo provides background information and proposes initial draft rule concepts regarding living wages and supportive benefits provided to workers at commingled recycling processing facilities.

Effective Jan. 1, 2027, ORS 459A.905(2)(c) prohibits local governments from sending their commingled recyclables to processing facilities unless the “processor provides workers at the facility with a living wage and supportive benefits, as defined by the rule by the Environmental Quality Commission”. This draft initial rule concept proposes definitions for the terms “workers at the facility”, “living wage” and “supportive benefits” and proposes what data sources or other supporting information will be used to determine the parameters of these terms.

These proposals are based on surveys, interviews and research concerning recycling facility workers in Oregon. DEQ applied the new information and analysis to the work in support of the Recycling Steering Committee (2018 – 2020). DEQ is requesting additional input from committee members on the identified options.

Background and legislative intent

Effective Jan. 1, 2027:

- A local government, the local government's service provider or a commingled recycling reload facility may not deliver to a commingled recycling processing facility commingled recyclables that were collected pursuant to the uniform statewide collection list established under ORS 459A.914 unless:
 - The processor provides workers at the facility with a living wage and supportive benefits, as defined by the rule by the Environmental Quality Commission.



ORS 459A.905(2)(c)

Definition: “workers at the facility”

DEQ draft proposal

A person whose primary work assignment location is the facility for at least 51 percent of their total scheduled work hours in the standard pay period, as defined by the facility.

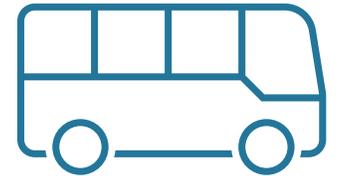
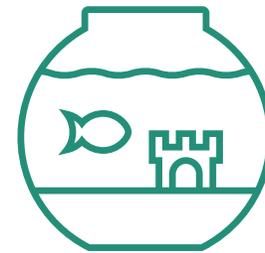
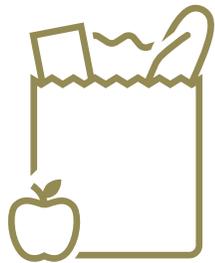
A worker retains this status regardless of tasks or type of work performed at the facility.



Definition: “living wage”

DEQ draft proposal

“living wage” means a wage one full-time worker must earn on an hourly basis to help cover the cost of their household’s minimum basic needs where they live without additional income or subsidization.



Living wage data source(s)

Proposed data source: MIT Living Wage Calculator

Living Wage | calculator

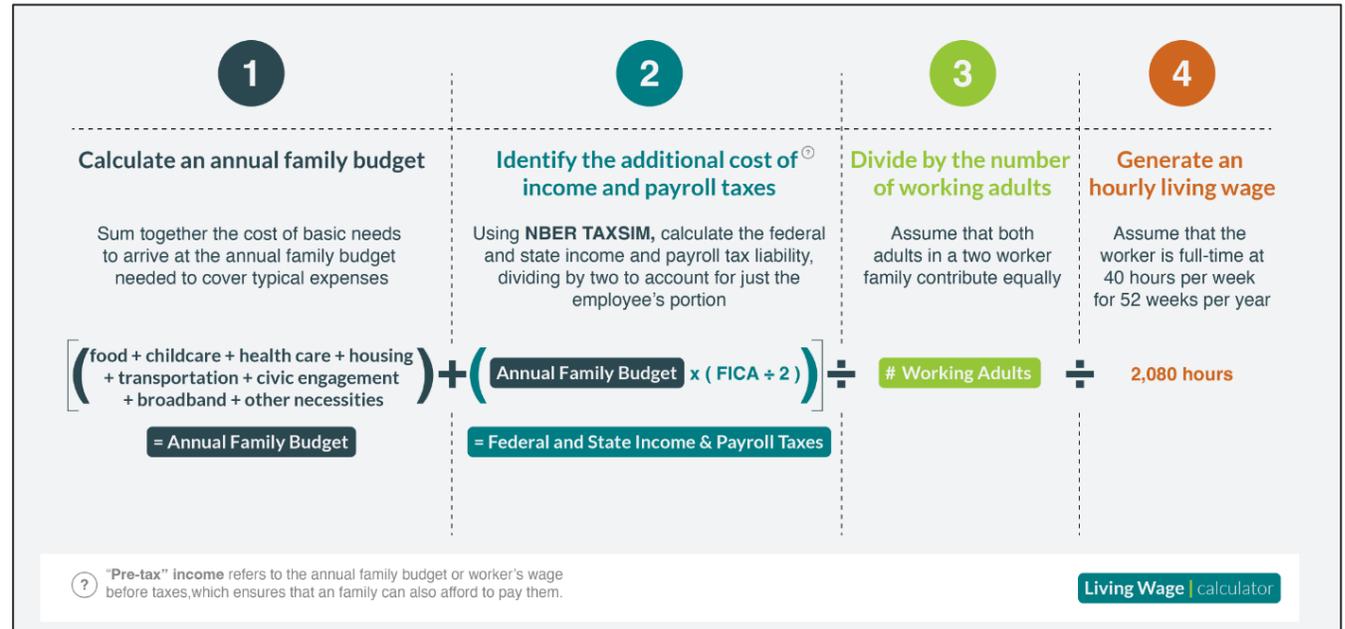
Counties and Metropolitan Statistical Areas

Select a link below to display the living wage report for that location:

[Show results for Oregon as a whole](#)

COUNTIES

Baker County	Curry County	Jefferson County
Benton County	Deschutes County	Josephine County
Clackamas County	Douglas County	Klamath County
Clatsop County	Gilliam County	Lake County
Columbia County	Grant County	Lane County
Coos County	Harney County	Lincoln County
Crook County	Hood River County	Linn County
	Jackson County	Malheur County



MIT Living Wage Calculator parameters

Proposed parameters

- Location: County
- Household: Two working adults, two dependents

Living Wage Calculation for Multnomah County, Oregon

The living wage shown is the hourly rate that an **individual** in a household must earn to support his or herself and their family. The assumption is the sole provider is working full-time (2080 hours per year). The tool provides information for individuals, and households with one or two working adults and zero to three children. In the case of households with two working adults, all values are **per working adult, single or in a family** unless otherwise noted.

The state minimum wage is the same for all individuals, regardless of how many dependents they may have. Data are updated annually, in the first quarter of the new year. State minimum wages are determined based on the posted value of the minimum wage as of January one of the coming year (National Conference of State Legislatures, 2019). The poverty rate reflects a person's gross annual income. We have converted it to an hourly wage for the sake of comparison.

For further detail, please reference the [technical documentation here](#).

	1 ADULT				2 ADULTS (1 WORKING)				2 ADULTS (BOTH WORKING)		
	0 Children	1 Child	2 Children	3 Children	0 Children	1 Child	2 Children	3 Children	0 Children	1 Child	2 Children
Living Wage	\$21.85	\$40.94	\$51.75	\$69.64	\$32.56	\$39.70	\$44.93	\$52.45	\$16.28	\$22.67	\$28.09
Poverty Wage	\$6.53	\$8.80	\$11.07	\$13.34	\$8.80	\$11.07	\$13.34	\$15.61	\$4.40	\$5.54	\$6.67
Minimum Wage	\$13.50	\$13.50	\$13.50	\$13.50	\$13.50	\$13.50	\$13.50	\$13.50	\$13.50	\$13.50	\$13.50

Definition: “supportive benefits”

Technical workgroup survey responses:

- Health insurance (medical, dental, vision)
- Disability insurance (short-term, long-term)
- Life insurance options
- Retirement (employer-paid contributions or match, availability of other retirement savings accounts)
- Paid time off (sick leave, vacation, holidays, other special types of leave)
- Training and career development (paid time, paid training)
- Travel reimbursements (transit passes, personal vehicle mileage, bike/walk support)



Discussion: Living wage and supportive benefits

1

What additional data sources might DEQ consider, as backup support if the MIT Living Wage Calculator is no longer available, for the hourly wage figure calculations?

2

Do the proposed location and household composition parameters seem to meet the legislative and statutory intent for this draft rule concept?

3

What other data or information would help inform the Environmental Quality Commission's decision related to the supportive benefits portion of the draft rule concept? Who else should we talk with?

Next steps for rule concept

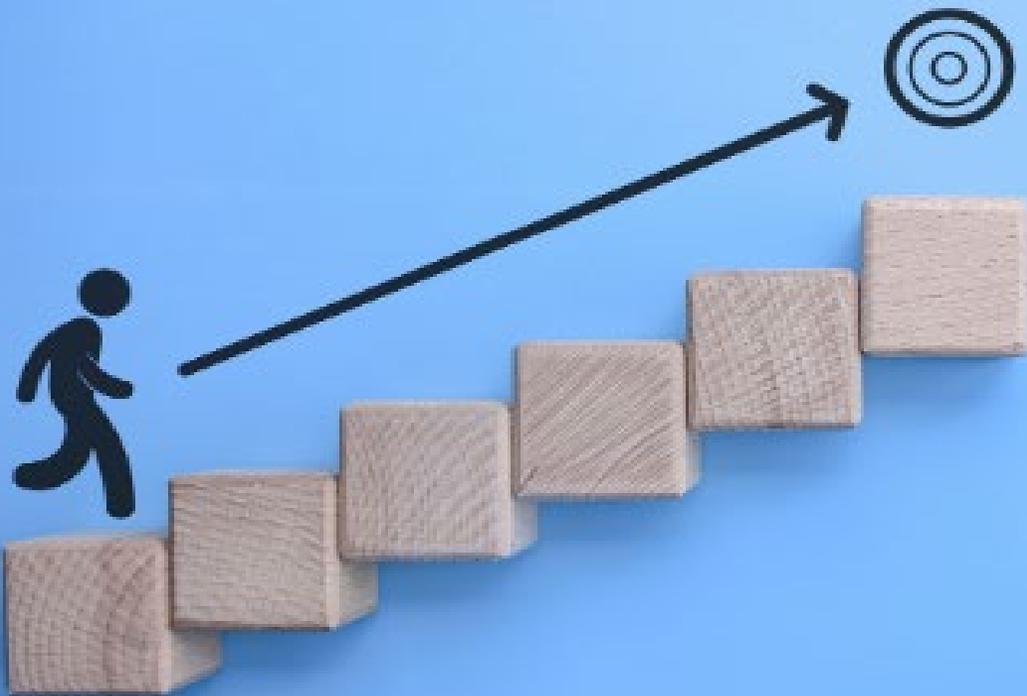
- Compile feedback, reply to questions
 - Email additional questions and feedback to recycling.2024@deq.oregon.gov
 - Continue research, partner discussions for supportive benefit options
- Refined draft proposed rule concept brought to Nov. RAC meeting for additional review and input

Public Input Period

To provide input, message
Hosts and Panelists
in the chat.

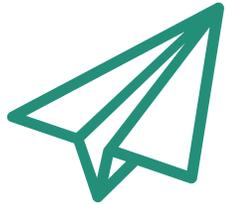
Input can also be emailed to
recycling.2024@deq.oregon.gov

Next steps



- Connect with your networks
- Email any questions or feedback to:
recycling.2024@deq.oregon.gov
- Enjoy your summer adventures!
- Next RAC meeting is Sept. 19, 2023

More info



Sign-up for GovDelivery notifications

https://public.govdelivery.com/accounts/ORDEQ/subscriber/new?topic_id=ORDEQ_633



Recycling 2024 Webpage:

<https://www.oregon.gov/deq/rulemaking/Pages/recycling2024.aspx>

Title VI and alternative formats

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