

SB 582 is a Very Costly Plan to Restructure Oregon's Recycling System

SB 582 would require that packaging, printing and writing paper be recycled through new "producer responsibility organizations." These new organizations would be responsible for paying an estimated (by DEQ) at least \$83 million per year to collect and recycle these products, to upgrade recycling processing facilities, to create new recycling education programs, paying local governments and operating new depots for the collection of recyclables. If passed, DEQ estimates that all these expensive new programs might increase the amount of material recycled by about 3%, but the cost of recycling in Oregon would increase by over 30%. We support the objective of increasing the recovery of all paper and packaging. There was a far less costly alternative proposed by us. However, in its current version, we oppose this costly and ineffective proposal.

Products Already Being Recycled Would be Covered by this New System

The bill defines "Covered Products" to include:

1. All types of material used to "contain" or "protect" products (including boxes, bags, cans, bottles, take out containers, wrappings, etc.);
2. All types of printing and writing papers (including newspapers, magazines, flyers, brochures, catalogs, phone books, copy paper and writing paper); and
3. Food service items like paper or plastic plates, cups and glasses.

Most of these materials are already being collected and recycled in Oregon. EPA believes that an efficient curbside recycling program should cost between \$50 and \$100 per ton of material collected, and Oregon's current program is on the high side of that range. But based on DEQ's own estimates, the cost for collecting the small amount of additional materials in this new program would be \$954 per ton, more than 3 times the cost of the very expensive program in BC, and more than 10 times the cost of a program proposed in Maine.

Every Oregon Retailer, Wholesaler and Manufacturer Will be Impacted

The "producers" who will be required to pay for the creation and operation of these new programs include anyone who makes, imports, distributes or sells a "covered product." Every store, restaurant, warehouse, office, publisher, manufacturer, or delivery service will be impacted and required to help pay for these new programs. Ultimately, it will be consumers who will eventually bear much of the burden by paying these costs through higher prices.

New Expensive Administrative Costs; Huge Penalties Possible

DEQ estimates it will cost the agency at least \$11 million in the first four years to implement and administer this new structure. The bill would allow DEQ to impose penalties of up to \$25,000 a day.

From the Desk of
Representative
Daniel Bonham



See Below for the Organizations That Oppose SB 582.



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