SB 582-A21 (LC 2232) 6/15/21 (STN/ps)

Requested by JOINT COMMITTEE ON WAYS AND MEANS

PROPOSED AMENDMENTS TO A-ENGROSSED SENATE BILL 582

1 On page 2 of the printed A-engrossed bill, delete lines 13 through 45 and 2 delete pages 3 through 5.

3 On page 6, delete lines 1 through 19 and insert:

4 "SECTION 2. Definitions. As used in sections 1 to 43 of this 2021
5 Act:

6 "(1) 'Brand' means any mark, word, name, symbol, design, device 7 or graphical element, or a combination thereof, including a registered 8 or unregistered trademark, that identifies a product and distinguishes 9 the product from other products.

"(2) 'Commingled recycling' means the recycling or recovery of two
 or more materials that are mixed together and that generally would
 be separated into individual materials at a commingled recycling pro cessing facility in order to be marketed.

"(3)(a) 'Commingled recycling processing facility' means a facility
 that:

"(A) Receives source separated commingled recyclable materials
 that are collected commingled from a collection program providing the
 opportunity to recycle; and

"(B) Separates the recyclable materials described in subparagraph
 (A) of this paragraph into marketable commodities or streams of ma terials that are intended for use or further processing by others.

1 "(b) 'Commingled recycling processing facility' does not include:

2 "(A) Scrap metal recycling facilities;

3 **"(B)** Scrap automotive or appliance recycling facilities;

"(C) Full-service redemption centers or dealer redemption centers,
as those terms are defined in ORS 459A.700, and recycling facilities
owned and operated by a distributor cooperative established under
ORS 459A.718;

8 "(D) Recycling facilities handling covered electronic devices, as de9 fined in ORS 459A.305;

"(E) Recycling processing facilities that process only
 noncommingled, source separated recyclable material from commer cial entities;

"(F) Recycling processing facilities that recover commingled
 recyclable material primarily from the construction and demolition
 debris waste stream;

16 "(G) Recycling depots;

17 "(H) Recycling reload facilities; or

"(I) Limited sort facilities, as defined by rule by the Environmental
 Quality Commission.

20 **"(4) 'Contaminant' means:**

"(a) A material set out for recycling collection that is not properly
 prepared and on the list of materials accepted for recycling collection
 by a recycling collection program; or

"(b) A material shipped to a recycling end market that is not ac cepted or desired by that end market.

"(5) 'Contamination' means the presence of one or more contaminants in a recycling collection or commodity stream in an amount or concentration that negatively impacts the value of the material or negatively impacts a processor's ability to sort that material.

30 **"(6)(a) 'Covered product' means:**

- 1 "(A) Packaging;
- 2 "(B) Printing and writing paper; and
- 3 "(C) Food serviceware.
- 4 "(b) 'Covered product' does not include:

5 "(A) A beverage container, as defined in ORS 459A.700.

6 **"(B) Bound books.**

"(C) Napkins, paper towels or other paper intended to be used for
cleaning or the absorption of liquids.

9 "(D) Rigid pallets used as the structural foundation for transporting
 10 goods lifted by a forklift, pallet jack or similar device.

"(E) Specialty packaging items that are used exclusively in indus trial or manufacturing processes, including but not limited to:

"(i) Cores and wraps for rolls of packaging sold by a mill to a
 packaging converter or food processor; and

"(ii) Trays, whether designed for a single use or multiple uses, used
 for the transport of component parts from a parts supplier to a man ufacturer that assembles those parts.

"(F) Liquified petroleum gas containers that are designed to be re filled.

20 "(G) A material that the producer demonstrates is exempt under 21 section 4 of this 2021 Act.

"(H) Pallet wrap or similar packaging used to secure a palletized
 load if added by a person that is not the producer of the palletized
 covered products.

"(I) Packaging related to containers for architectural paint, as defined in ORS 459A.822, that has been collected by a producer responsibility organization under the program established under ORS 459A.820
to 459A.855.

"(J) Any item that is not ultimately discarded inside this state,
 whether for purposes of recovery or disposal.

1 "(K) Items sold on a farm or used on a farm, including items used 2 for farm use, as defined in ORS 215.203, or for processing on a farm, 3 provided that an item used on a farm is not subsequently sold at a 4 retail establishment that is not located on a farm.

5 "(L) Items used by a nursery licensed under ORS 571.055 that gen-6 erates the majority of the nursery's revenue through the sale of 7 nursery stock, as defined in ORS 571.005, provided that the items are 8 not sold through retail sales.

9 "(M) Packaging and paper products sold or supplied in connection
10 with:

11 "(i) Prescription drugs as defined in ORS 689.005;

¹² "(ii) Nonprescription drugs as defined in ORS 689.005;

"(iii) Drugs marketed under a brand name as defined in ORS 689.515;
 or

"(iv) Drugs marketed under a generic name as defined in ORS
 689.515.

"(N) Packaging and paper products sold or supplied in connection
with drugs that are used for animal medicines, including but not limited to parasiticide drugs for animals.

"(O) Packaging and paper products sold or supplied in connection
 with:

²² "(i) Infant formula as defined in 21 U.S.C. 321(z);

²³ "(ii) Medical food as defined in 21 U.S.C. 360ee(b)(3); or

"(iii) Fortified oral nutritional supplements used for individuals who require supplemental or sole source nutrition to meet nutritional needs due to special dietary needs directly related to cancer, chronic kidney disease, diabetes, malnutrition, or failure to thrive, as those terms are defined as by the International Classification of Diseases, Tenth Revision, or other medical conditions as determined by the commission. 1 "(P) Wine and spirit containers for which a refund value is estab-2 lished under Oregon law.

3 "(Q) Packaging for products:

"(i) That are required under 40 C.F.R. 156.140, or other federal regulation pertaining to toxic or hazardous materials, to state on the label or container that the packaging should not be recycled or should
be disposed of in a manner other than recycling; or

8 "(ii) Identified by the commission by rule as product that is re-9 quired by law to state on the label or container that the packaging 10 should not be recycled or should be disposed of in a manner other than 11 recycling.

"(R) Any other material, as determined by the commission by rule,
 after consultation with the Oregon Recycling System Advisory Coun cil.

"(7) 'Food serviceware' means paper or plastic plates, wraps, cups,
 bowls, pizza boxes, cutlery, straws, lids, bags, aluminum foil or
 clamshells or similar containers:

18 "(a) That are generally intended for single use; and

19 "(b) That are sold to a retailer or a dine-in food establishment or 20 a take-out food establishment, regardless of whether the item is used 21 to prepackage food for resale, is filled on site for food ordered by a 22 customer or is resold as is.

"(8) 'Large producer' means a producer that is among the 25 largest
 producers of covered products based on market share.

"(9) 'Licensee' means a person that is licensed by a brand and
manufactures a covered product or a packaged item under that brand.
"(10) 'Litter' means waste that is improperly placed so as to be a
nuisance or aesthetic, health or environmental concern.

29 "(11) 'Local government' means:

30 "(a) A city;

1 **"(b) A county; or**

2 "(c) A metropolitan service district.

3 "(12) 'Local government's service provider' means:

4 "(a) A collection service franchise holder under ORS 459A.085;

"(b) Any person authorized by a city or county to provide recycling
collection services described in subsection (25)(a) to (d) of this section;
or

8 "(c) Any person authorized by a metropolitan service district to 9 provide recycling collection services described in subsection (25)(d) of 10 this section.

"(13) 'Market share' means a producer's percentage of all covered
 products sold in or into this state during a specified time period, as
 calculated in accordance with methods established by the commission
 by rule.

"(14) 'Mechanical recycling' means a form of recycling that does
 not change the basic molecular structure of the material being recy cled.

"(15) 'Metropolitan service district' means a metropolitan service
 district established under ORS chapter 268.

"(16) 'Nonprofit organization' means an organization or group of
organizations described in section 501(c)(3) of the Internal Revenue
Code that is exempt from income tax under section 501(a) of the
Internal Revenue Code.

"(17) 'Opportunity to recycle' has the meaning given that term in
ORS 459A.005.

26 **"(18)(a) 'Packaging' means:**

"(A) Materials used for the containment or protection of products,
including but not limited to paper, plastic, glass or metal or a mixture
thereof;

30 "(B) Single-use bags, including but not limited to shopping bags;

1 **and**

"(C) Nondurable materials used in storage, shipping or moving, including but not limited to packing materials, moving boxes, file boxes
and folders.

5 "(b) 'Packaging' does not include:

6 "(A) Food serviceware; or

7 "(B) Sharps, as defined in ORS 459.386.

8 "(19) 'Person' has the meaning given that term in ORS 459.005.

"(20) 'Printing and writing paper' includes, but is not limited to,
 newspaper, magazines, flyers, brochures, booklets, catalogs, telephone
 directories and paper used for copying, writing or other general use.

"(21) 'Processor' means a person that owns or operates a
 commingled recycling processing facility.

"(22) 'Producer' means a person that is determined to be the pro ducer of a covered product under section 3 of this 2021 Act.

"(23) 'Producer responsibility organization' means a nonprofit or ganization established by a producer or group of producers to admin ister a producer responsibility program.

"(24) 'Producer responsibility program' means a statewide program for the responsible management of covered products that is administered by a producer responsibility organization pursuant to a plan approved by the Department of Environmental Quality under section 7 of this 2021 Act.

"(25) 'Recycling collection' means the act or process of gathering
 recyclable materials by:

"(a) On-route residential collection from the generator at the place
 of generation;

28 "(b) On-site nonresidential collection from the generator at the 29 place of generation;

30 "(c) Multifamily on-route residential collection from each multi-

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1 family dwelling that has five or more units;

"(d) Recycling depots at a disposal site or another designated location that is more convenient to the population being served and expanded depots as described in ORS 459A.007; or

6 sponsibility program plan.

"(26) 'Recycling depot' means a location where recyclable materials
are accepted from the public or commercial businesses and transported
to a location for processing or to an end market.

10 "(27) 'Recycling reload facility' means a facility other than a recy-11 cling depot where recyclable materials are received, consolidated and 12 made ready for transport to another location for processing or to a 13 responsible end market.

"(28) 'Recycling system' means all aspects of the programs and participants that have a role in Oregon's statewide recycling structure, including producers of products sold in or into Oregon, generators of recyclable materials, governments that regulate materials management programs, businesses that collect and process recyclable materials and persons that receive recyclable materials to convert to new feedstock or products.

"(29) 'Responsible end market' means a materials market in which the recycling or recovery of materials or the disposal of contaminants is conducted in a way that benefits the environment and minimizes risks to public health and worker health and safety.

"(30) 'Responsible management' means the handling, tracking and disposition of covered products from the point of collection through the final destination of the collected material in a way that benefits the environment and minimizes risks to public health and worker health and safety.

30 "(31) 'Responsible recycling' means the handling of covered pro-

ducts for recycling and removal of contaminants by a certified or
 permitted processor and disposition to a responsible end market.

3 "(32) 'Small producer' means a producer that:

4 "(a) Is a nonprofit organization;

⁵ "(b) Is a public body, as defined in ORS 174.109;

6 "(c) Has a gross revenue of less than \$5 million for the 7 organization's most recent fiscal year;

"(d) Sold in or into Oregon less than one metric ton of covered
products for use in this state in the most recent calendar year;

"(e) Is a manufacturer of a beverage sold in a beverage container, as those terms are defined in ORS 459A.700, that sold in or into Oregon less than five metric tons of covered products, including but not limited to secondary and tertiary packaging for beverage containers, for use in this state in the most recent calendar year;

15 "(f)(A) Is a restaurant, food cart or similar business establishment 16 that primarily sells to members of the public food that is generally 17 intended to be consumed immediately and without the need for further 18 preparation, either on or off the premises; and

"(B) Is not a producer of food serviceware as described in section 3
 of this 2021 Act; or

"(g) Operates a single retail sales establishment, has no online sales
 and is not supplied or operated as part of a franchise or a chain.

"(33) 'Specifically identified material' means a material or covered
product identified by the department under section 23 of this 2021 Act.
"(34) 'Uniform statewide collection list' means the list of materials
established in accordance with the requirements of section 22 (4) of
this 2021 Act.".

28 Delete line 37 and insert:

29 "(b) For items sold or distributed in packaging in or into this state via 30 remote sale or distribution:". 1 After line 41, insert:

"(c) For all other packaging that is a covered product, the producer of the packaging is the person that first distributes the packaged item in or into this state.".

5 On page 10, delete lines 28 through 33.

6 On page 11, line 18, after "program" insert a period and delete the rest 7 of the line and delete lines 19 through 29.

8 On page 14, delete lines 39 through 45.

9 On page 15 delete lines 1 through 16 and insert:

"SECTION 10. Producer responsibility program plan amendments.
 (1) A producer responsibility organization shall submit an amendment
 to a producer responsibility program plan:

"(a) When proposing to change an approved producer responsibility
 program plan as it relates to the producer responsibility organization's
 obligations:

"(A) Under section 6 (2)(a), (g) to (i), (L) to (n), (p) or (q) of this 2021
Act; or

18 "(B) Under section 22 of this 2021 Act.

"(b) When changing methods used to establish membership fees
 under section 11 of this 2021 Act.

"(c) When changing methods of compensating local governments
 or local governments' service providers as required under section 13
 of this 2021 Act.

"(d) When the Department of Environmental Quality identifies or
 removes one or more specifically identified materials under section 23
 of this 2021 Act.

²⁷ "(e) When required to do so under section 27 of this 2021 Act.

28 "(f) When required to do so by rules adopted by the Environmental
29 Quality Commission.

30 "(2) Not less than once per calendar quarter, a producer responsi-

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bility organization shall provide written notice to the department and the Oregon Recycling System Advisory Council of any changes made during the previous month to a producer responsibility program plan that are changes for which an amendment is not required under subsection (1) of this section.".

6 Delete lines 31 through 36 and insert:

"(3) Covered products sold or distributed in or into this state that are not
accepted by recycling collection programs in this state shall be assessed base
fee rates as follows:

"(a) First, the average base fee rates for covered products described in
 this subsection must be higher than the average for covered products that
 are accepted by recycling collection programs in this state.

"(b) Second, provided that the requirements of paragraph (a) of this subsection are satisfied, the base fee rate shall be approximately proportional to the covered products' relative contribution to the financial obligations of the producer responsibility organization.".

17 On page 16, delete lines 4 through 6 and insert:

18 "(c) The producer's choice of material;

"(d) Life cycle environmental impacts, as demonstrated by an evaluation
 performed in accordance with section 33 of this 2021 Act; and

"(e) The recycling rate of the material relative to the recycling rate of other covered products.".

In line 16, delete "\$5 million" and insert "\$10 million".

24 Delete lines 37 through 39 and insert:

"(d) A description of the producer responsibility organization's efforts, including work with processors, to ensure that the collected covered products were responsibly managed and delivered to responsible end markets;".

- On page 17, delete lines 18 through 45.
- 29 On page 18, delete lines 1 through 16 and insert:
- 30 "(L) A description of activities undertaken by the producer responsibility

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organization that relate to the uniform statewide collection list and the
 specifically identified materials list;

"(m) An assessment of whether the producer responsibility organization has met collection targets, convenience standards and performance standards established by the Environmental Quality Commission under section 22 of this 2021 Act and efforts planned to meet or continue meeting such targets and standards;

"(n) A summary of efforts taken by the producer responsibility organization to meet the statewide plastic recycling goal established under section
27 of this 2021 Act and efforts planned to maintain performance in meeting
the goal or, if the goal has not been met, efforts planned to meet the goal;

"(o) The results of any in-person site inspections, material tracking or other audits conducted during the reporting year, including whether any major safety or environmental management practices were not properly followed and, if so, the corrective actions taken;

"(p) Recommendations for any changes to the producer responsibility
 organization's plan to improve recovery and recycling;

"(q) A summary of the quarterly reports described in subsection (6) of this
section and an evaluation of the adequacy of responsible end markets;

"(r) A summary of actions actually taken or planned by the producer responsibility organization to improve responsible end markets, pay for improvements in processing infrastructure or improve the resiliency of the producer responsibility program;

"(s) The number of producers that received each type of membership fee adjustment offered under section 11 of this 2021 Act and the amount of covered products, by material and format, for which producers received each type of adjustment;

(t) An evaluation of the effectiveness of membership fee adjustments at encouraging producers to reduce the environmental and human health impacts of covered products, with relation to the factors and criteria used by 1 the producer responsibility organization's membership fee structure;

"(u) An evaluation of the producer responsibility organization's compliance with sections 1 to 43 of this 2021 Act and, if necessary, actions that will be taken to achieve compliance;

5 "(v) A report by an independent certified public accountant, retained by 6 the producer responsibility organization at the organization's expense, on the 7 accountant's audit of the organization's financial statements;

8 "(w) The results of any nonfinancial audits or assessments measuring
9 performance or outcomes;

"(x) A description of activities undertaken by the producer responsibility organization that relate to the educational resources and promotional campaigns described in section 14 of this 2021 Act; and

13 "(y) Any other information required by the department.".

In line 24, after "by" insert "or market share of".

On page 19, line 26, delete "for a" and insert "for less than 50 miles or for a greater".

17 On page 20, delete lines 2 through 45 and delete page 21.

18 On page 22, delete lines 1 through 6 and insert:

"(5)(a) Costs associated with the expansion and provision of recycling collection services for covered products as provided in this subsection are eligible costs for funding or reimbursement by a producer responsibility organization.

"(b) A local government that commits to expanding recycling opportunities during the needs assessment conducted under subsection (8) of this section is eligible for funding or reimbursements under this subsection. A producer responsibility organization shall work with local governments to determine the services the local government is requesting and the schedule by which the new program will be implemented, and shall provide funding for the new programs in advance of or concurrent with implementation.

30 "(c) A producer responsibility organization shall provide funding for ac-

SB 582-A21 6/15/21 Proposed Amendments to A-Eng. SB 582 tivities requested by local governments through the periodic needs assessment conducted under subsection (8) of this section.

3 "(d) Eligible costs under this subsection include:

"(A) For on-route programs, start-up costs, including but not limited to
trucks, containers, promotional literature and, if necessary and none other
is available, a recycling reload facility for reloading recyclables, including
any compaction equipment necessary for the recycling reload facility; and

"(B) For recycling depots, containers, on-site monitoring equipment, site
preparation or other start-up costs and operational costs, including staffing.
"(6) The costs of complying with section 21 of this 2021 Act, to the extent
that the use of post-consumer recycled material is more expensive than the
lowest priced alternative, are eligible costs for funding or reimbursement by
a producer responsibility organization.

"(7) The costs associated with other recycling system improvements for
 covered products as determined by the commission by rule are eligible costs
 for funding or reimbursement by a producer responsibility organization.

"(8)(a) The Department of Environmental Quality shall conduct a statewide needs assessment in partnership with local governments and local governments' service providers to determine local interest in expanding collection options and recycling depots in areas not served with those collection opportunities, provided that funds are made available to the local programs for expansion.

"(b) The needs assessment shall include a process for local governments
to request services and commit to providing additional services.

"(c) The department shall periodically repeat the assessment and may conform the timing of the assessment to coincide with the schedule for producer responsibility organizations to submit new producer responsibility program plans.

(9) A local government or the local government's service provider requesting reimbursement under this section shall submit an accounting of its costs to a producer responsibility organization, if the reimbursement is not
otherwise determined according to a formula.

"(10) A producer responsibility organization shall remit payment for expenses under this section to a local government or the local government's service provider or other person authorized by the local government to receive payment within 60 days of receiving a request for payment. A producer responsibility organization shall provide written notification to the local government of any payments remitted to a person authorized by the local government to receive payment.

"(11)(a) The department may review or audit the cost accounting and reimbursement request records of a producer responsibility organization, a local government or the local government's service provider that receives payment under this section.

"(b) The department shall require a local government or a local government's service provider that receives advance funding under this subsection and does not use the moneys for the purposes for which the funding was provided to return the funding to the producer responsibility organization, according to standards established by the commission by rule.

"(c) Information furnished to the department under paragraph (a) of this subsection may be designated confidential. Information designated confidential is not subject to public disclosure under ORS 192.311 to 192.478, except that the department may disclose the information in a summarized or aggregate form.

"(12) A local government shall identify to the department the local government's service providers that are authorized to receive funding or reimbursement directly, as described in this section, from producer responsibility organizations in the periodic report submitted according to the requirements of ORS 459A.050.

29 "(13) A local government or local government's service provider that has 30 received funds for expansion or improvements to recycling collection under this section shall report to the producer responsibility organization when the expansion or improvements have been fully implemented. A local government or local government's service provider must also report the status of implementation to the producer responsibility organization on an annual basis for any funded collection program that has not been fully implemented, so that the producer responsibility organization may include that information in the annual report required under section 12 of this 2021 Act.

8 "(14) The disposal of covered products by means of landfilling or 9 incineration may not be an eligible cost for funding or reimbursement by a 10 producer responsibility organization under this section.".

11 Delete lines 40 through 43 and insert:

"(7)(a) A producer responsibility organization shall coordinate and fund the distribution of statewide promotional campaigns developed under this section through media channels that may include, but need not be limited to, print publications, radio, television, the Internet and online streaming services.

"(b) A producer responsibility organization must coordinate and fund the distribution of statewide promotional campaigns following the first establishment of the uniform statewide collection list and after each revision of the uniform statewide collection list, but not more frequently than once per calendar year.".

22 On page 23, delete lines 28 through 45 and delete page 24.

23 On page 25, delete lines 1 through 27 and insert:

24 "<u>NOTE:</u> Section 16 was deleted by amendment. Subsequent sections were
25 not renumbered.

- 26
- 27

"(Oregon Recycling System Advisory Council)

28

29 "SECTION 17. Oregon Recycling System Advisory Council estab-30 lished. (1) The Oregon Recycling System Advisory Council is estab1 lished.

2 "(2) The council consists of 19 members appointed as follows:

"(a) The President of the Senate shall appoint one member from among the members of the Senate, and the Speaker of the House of Representatives shall appoint one member from among members of the House of Representatives, but the members appointed under this paragraph may not be from the same political party.

8 **"(b)** The Governor shall appoint 17 members as follows:

9 "(A) Four representatives of local governments;

"(B) Two representatives of community-based organizations repre senting the interests of historically underserved groups;

"(C) One owner or operator of a small business that is not eligible
 for representation under subparagraph (E) or (F) of this paragraph;

"(D) Two representatives of environmental nonprofit organizations; 14 "(E) Four representatives of the recycling industry, including local 15governments' service providers, processors or material end users; and 16 "(F) Four representatives of producers of covered products or pro-17 ducer trade associations or suppliers. Any members appointed to the 18 council under this subparagraph that are producers of covered pro-19 ducts shall belong to a producer responsibility organization and rep-20resent different industries. 21

"(c) The Governor shall appoint members that reflect the ge ographic diversity of this state and the interests of both large and
 small communities.

"(3)(a) The term of office of each member of the council is three
years, but members who are not legislators serve at the pleasure of
the Governor.

"(b) Before the expiration of the term of a member, the appointing
 authority shall appoint a successor whose term begins on July 1 fol lowing the appointment. A member is eligible for reappointment.

"(c) If there is a vacancy for any cause, the appointing authority
shall make an appointment to become immediately effective for the
unexpired term.

4 "(4) A majority of the voting members of the council constitutes a
5 quorum.

6 "(5) The council shall elect one of its members to serve as chair-7 person and another to serve as vice chairperson, for the terms and 8 with the duties and powers necessary for the performance of the 9 functions of such offices as the council determines. The chairperson 10 and vice chairperson may not both be members appointed under the 11 same subparagraph of subsection (2)(b)(A) to (F) of this section.

12 "(6) The council shall meet at least once every three months at 13 times and places specified by the chairperson. The council also may 14 meet at other times and places specified by the call of the chairperson 15 or of a majority of the voting members of the council, as necessary, 16 to carry out the duties of the council.

"(7) The Department of Environmental Quality shall provide ad ministrative and staff support and facilities as necessary for the
 council to carry out the duties of the council.

"(8) A member of the council who is not a legislator is entitled to compensation and expenses in the manner and amounts provided for in ORS 292.495. Claims for compensation and expenses incurred in performing functions of the council shall be paid out of funds appropriated to the department for that purpose.

"(9) Members of the Legislative Assembly that are appointed to the
 council are nonvoting members of the council and may act in an ad visory capacity only.

"(10) The council may adopt rules necessary for the operation of the
 council.".

30 On page 26, line 21, delete "or" and insert "to".

- 1 In line 25, delete "or" and insert "to".
- 2 On page 28, line 8, after "list" insert "and producer-collected materials".
- 3 In line 15, after "through" insert "recycling".
- 4 On page 30, line 10, before "this" insert "sections 1 to 43 of".
- 5 Delete lines 36 through 39 and insert:

6 "(d) For purposes of calculating the processor commodity risk fee, allow 7 the average fee charged by commingled recycling processing facilities for 8 acceptance of commingled recyclables collected from Oregon to target a price 9 of \$0 per ton, expressed on the basis of compensation per ton of delivered 10 material.".

11 On page 31, delete lines 33 through 45.

12 On page 32, delete lines 1 and 2 and insert:

"SECTION 26. Evaluation of federal laws. (1) The Department of
 Environmental Quality shall evaluate any federal law that establishes
 a national program for the collection and recycling of paper products
 or packaging.

"(2) If the department determines that the federal law substantially
meets or exceeds the requirements and intent of sections 1 to 43 of this
2021 Act, the department shall include information on the federal law
in a report to the Legislative Assembly.

²¹ "SECTION 26a. Litter and marine debris cleanup and prevention ²² <u>needs assessment.</u> (1) The Department of Environmental Quality shall ²³ conduct a statewide needs assessment to identify the contribution of ²⁴ different types of covered products to litter and marine debris in ²⁵ Oregon, the general locations where litter and marine debris pre-²⁶ vention and cleanup of covered products is needed, and the extent to ²⁷ which litter and marine debris prevention and cleanup is needed.

"(2) The needs assessment may include recommendations for adding
 litter and marine debris cleanup and prevention to the responsibilities
 of producer responsibility organizations and recommendations for

funding such responsibilities. If the needs assessment does not include recommendations for adding new responsibilities for producer responsibility organizations, the report required under subsection (4) of this section must include an explanation of why such responsibilities are not needed to address the issue of litter and marine debris.

6 "(3) In conducting the needs assessment, the Department of Envi-7 ronmental Quality shall consult with local governments, the Depart-8 ment of Transportation, the State Parks and Recreation Department, 9 producer responsibility organizations and the Oregon Recycling Sys-10 tem Advisory Council.

"(4) The Department of Environmental Quality shall provide a written report on its findings and recommendations for legislation, in the manner provided by ORS 192.245, to the interim committees of the Legislative Assembly related to the environment no later than September 15, 2026.".

16 Delete lines 8 through 13 and insert:

"(2)(a) It is the goal of the State of Oregon that the statewide recycling rate for plastic packaging and plastic food serviceware be:

"(A) At least 25 percent by calendar year 2028 and in each subsequent
 year;

"(B) At least 50 percent by calendar year 2040 and in each subsequent year; and

"(C) At least 70 percent by calendar year 2050 and in each subsequent
year.".

25 Delete lines 25 through 32 and insert:

²⁶ "(4)(a) If the department determines that the statewide plastic recycling ²⁷ goal has not been met, each producer responsibility organization shall, in the ²⁸ manner provided in section 10 of this 2021 Act, amend an existing producer ²⁹ responsibility program plan or submit a new producer responsibility program ³⁰ plan that includes actions the organization will take to meet the statewide 1 plastic recycling goal.

"(b) Notwithstanding the requirements of paragraph (a) of this subsection, the department may not issue an order or impose a civil penalty against a producer responsibility organization for failing to update a producer responsibility program plan or failing to take actions specified in a producer responsibility program plan to meet the statewide plastic recycling goal if, at that time, the recycling rate of plastic packaging and plastic food serviceware exceeds 50 percent.

9 "(5) The recycling rate of plastic packaging and plastic food serviceware 10 is calculated by dividing the total plastic packaging and plastic food 11 serviceware waste generated and recycled in this state by the total plastic 12 packaging and plastic food serviceware waste generated in this state using 13 the following data, unless otherwise specified by rule by the commission:".

14 Delete lines 41 through 45.

15 On page 33, delete line 1 and insert:

"(6) For purposes of determining the recycling rate of plastic packaging and plastic food serviceware, 'plastic' includes post-consumer packaging and food serviceware products that are made entirely of plastic or that contain small amounts of easily removed nonplastic items, such as metal lids or metal handles on plastic buckets.".

21 On page 34, delete lines 16 through 18 and insert:

"(e) The availability of opportunities in the recycling system for Oregon
and other Pacific Northwest businesses; and

"(f) Recommendations for improving equity and equitable outcomes for underserved populations in Oregon's recycling system, including recommendations for new responsibilities of producer responsibility organizations and recommendations for funding such responsibilities.".

28 Delete lines 29 through 42 and insert:

29 "(3) The department shall complete the study required under this section 30 at least once every four years. The department shall report the results of the study and recommendations required under this section, in the manner provided by ORS 192.245, to the interim committees of the Legislative Assembly
related to the environment.".

4 Delete lines 43 through 45.

5 On page 35, delete lines 1 through 14 and insert:

"SECTION 30. Multifamily housing needs assessment. (1) The De-6 partment of Environmental Quality, in consultation with the Oregon 7 Recycling System Advisory Council, shall conduct a statewide needs 8 assessment to determine the challenges facing residents of multifamily 9 housing and make recommendations for improvements to allow for 10 effective and equitable recycling opportunities for residents of multi-11 family housing. The needs assessment conducted under this section 12 must include an evaluation of the placement of and quality of spaces 13 provided for recycling containers and recommendations for improving 14 spaces that are determined to be inadequate. The needs assessment 15may include recommendations for new responsibilities of producer re-16 sponsibility organizations and recommendations for funding such re-17 sponsibilities. If the needs assessment does not include 18 recommendations for adding new responsibilities for producer respon-19 sibility organizations, the report required under subsection (2) of this 20section must include an explanation of why such responsibilities are 21not needed to address the challenges facing residents of multifamily 22housing. 23

"(2) The department shall complete the needs assessment required under this section at least once every four years. The department shall report the results of the needs assessment and recommendations required under this section in the manner provided by ORS 192.245, to the interim committees of the Legislative Assembly related to the environment.".

30 On page 36, line 9, delete "waste prevention and reuse".

1	On page 37, line 10, delete "collectors" and insert "local governments"
2	service providers".
3	On page 38, line 15, before the semicolon insert ", consistent with rules
4	adopted under this section".
5	On <u>page 40</u> , delete line 38 and insert:
6	
7	"(Other Studies)".
8	
9	On <u>page 41</u> , after line 14, insert:
10	"SECTION 44a. Compostability study. (1) The Department of Envi-
11	ronmental Quality shall study the compostability of covered products
12	and the effects of covered products on composting systems. In con-
13	ducting the study, the department shall:
14	"(a) Examine the effects of covered products on compost facilities
15	and finished compost;
16	"(b) Consider trends, challenges, opportunities and relevant policies
17	relating to composting and covered products;
18	"(c) Consider the experience of compost facilities located in other
19	states; and
20	"(d) Develop recommendations for reducing environmental impacts
21	while maintaining and enhancing the environmental and economic
22	sustainability of Oregon's compost industry.
23	"(2) In conducting the study, the department shall consult with
24	compost facilities serving Oregon, local governments, producer re-
25	sponsibility organizations serving Oregon and the Oregon Recycling
26	System Advisory Council.
27	"(3) The department shall submit a final report and recommen-
28	dations for legislation, in the manner provided by ORS 192.245, to the
29	interim committees of the Legislative Assembly related to the envi-
30	ronment no later than December 15, 2026.".

2 In line 30, delete "(27)(a)" and insert "(25)(a)".

3 On page 54, delete lines 14 and 15 and insert:

4 "(2) Section 36 of this 2021 Act is repealed on December 31, 2022.

5 "(3) Section 26 of this 2021 Act is repealed on January 2, 2027.

6 "(4) Section 26a of this 2021 Act is repealed on January 2, 2027.".

7 Delete lines 27 through 35 and insert:

8 "<u>SECTION 61.</u> (1) The Department of Environmental Quality shall
9 complete the first statewide needs assessment required under section
10 13 of this 2021 Act no later than July 1, 2023.

"(2) The department shall first submit the report required under
 section 29 of this 2021 Act no later than September 15, 2024.

"(3) The department shall first submit the report required under
 section 30 of this 2021 Act no later than September 15, 2024.

"(4) The Oregon Department of Administrative Services shall com plete the first assessment required by section 44 of this 2021 Act no
 later than May 15, 2024.".

18 On page 55, delete lines 6 through 10 and insert:

"SECTION 64. Notwithstanding the term of office specified in sec tion 17 of this 2021 Act, of the members first appointed to the Oregon
 Recycling System Advisory Council by the Governor:

²² "(1) Five shall serve for terms ending June 30, 2023.

23 "(2) Six shall serve for terms ending June 30, 2024.

24 "(3) Six shall serve for terms ending June 30, 2025.

"SECTION 65. Notwithstanding any other law limiting expenditures,
the limitation on expenditures established by section 2 (3), chapter
, Oregon Laws 2021 (Enrolled Senate Bill 5516), for the biennium
beginning July 1, 2021, as the maximum limit for payment of expenses
from fees, moneys or other revenues, including Miscellaneous Receipts, the proceeds of bonds for the Orphan Site Account and federal

¹ On page 47, line 9, delete "(27)(a)" and insert "(25)(a)".

funds from congestion mitigation and air quality grants, drinking water protection, laboratory accreditation and woodstove grants and for smoke monitoring laboratory services, but excluding lottery funds and federal funds not described in this section, collected or received by the Department of Environmental Quality, for land quality, is increased by \$2,066,088 for the implementation of this 2021 Act.".

7 In line 14, delete "65" and insert "66".

8