

SB 222 EPR Advisory Council Meeting
Thursday, July 25, 2024, 9:00am-11:00am E.T.
Meeting Location: Online via Google Video

Introduction

Tyler Abbott: I can get us started. Before going through and taking roll call, I just want to introduce our co-chairs. We have Michael Okoroafor, who has been speaking here. You can't see him because of some camera issues. We also have Angie Webb. I want to give them a second to introduce themselves so the group knows who they are and then we'll go through roll call.

Angie Webb: Hi good morning, I'm Angie Webb. I'm with MES. I am the chief of recycled materials and marketing. My background comes from buying and selling recyclables for many years within the industry and working with some of the top haulers and users in the US and overseas. Kind of getting to know what they need, what they don't need, and why they need it. I'm really excited, and pleased to be here and honored. So, thank you so much.

Tyler: Thank you. Michael?

Michael Okoroafor: Thanks, I apologize my camera is having some issues. I'm Michael Okoroafor. I'm the chief sustainability officer for McCormick. If you haven't used Old Bay, I don't think you live in Maryland. I'm responsible for our sustainability activities around the globe. First of all, I'm humbled to be the co-chair for this group, and I appreciate the recognition. Most of you have heard me talk about how EPR is something we've been doing for a long time in France for instance, we've been doing that for over 20 years. Some of the things we are doing, the experience I have comes from some of the things happening overseas as well. And so, Really a good chemistry working with Angie to co-chair this event. Thank you, and I'm really delighted to be part of this team. Tyler?

Tyler: Thank you. Bradley, can you run us down for roll call?

Attendees

Member Names	Affiliation	<i>Present</i>
Lee Zimmerman	Frederick County on behalf of MACo	X
John Neyman	Republic Services	X
Frankie Sherman	Charles County	X
Chris Pilzer	WM	
Eileen Kao	Montgomery County	X

Angie Webb	Maryland Environmental Service	X
Vinnie Bevivino	Bioenergy Devco	X
Michael Okoroafor	McCormick	X
Ellen Valentino	MD-DE-DC Beverage Association	X
Mario Minor	Market Fresh Gourmet	X
Scott DeFife	Glass Packaging Institute	X
Dan Felton	Ameripen	X
Abigail Szein	America Forest and Paper Association	X
Delphine Dahan Kocher	Constellium	X
Peter Hargreave	Circular Action Alliance	X
Chaz Miller	Maryland Recycling Network	X
Shari Wilson	Trash Free Maryland	X
Martha Ainsworth	Sierra Club	X
Crystal Faison	Shepherd Design and Construction	
Miguel Lambert	Repurpose Aggregates	X
Gurcharan Singh	WAH Global	
Bradley Baker	MDE	X
Dave Mrgich	MDE	
Sara Weitzel	MDE	X
Shannon McDonald	MDE	X
Tim Kerr	MDE	
Tyler Abbot	MDE	X

Bradley Baker: Well, thank you everyone for joining us today, we have an excellent round of speakers and topics that we're going to be talking about today. The first will be Eric Weiss with the consulting firm HDR who was chosen to conduct the needs assessment on behalf of the state. He will be going over the scope and schedule for the needs assessment. And if there's any questions or clarifications or things we should consider for that needs assessment, we can have a conversation about that too. We do have a scope of work that has already been established. However, we should be able to make some adjustments on the fringe of like if there are specific

questions we need to ask or specific people we need to send the survey to. We already have a pretty comprehensive list for that, but we'll take any feedback on that. Then, Scott Cassell with PSI will be giving a presentation as well. I think on August 22 we are planning on doing a Montgomery County MRF tour for Advisory Council members only, as there is limited space. That should be pretty exciting.

Michael Okoroafor: Hey Brad. Senator Augustine has his hand raised, so I think he has a question.

Bradley: Yeah, go ahead.

Senator Augustine: Thank you, it wasn't a question. I just wanted to say that I can't stay for the entirety of the meeting. I want to say that I'm grateful for all of you providing the service on this. It's a critical body that will provide recommendations that we will then be able to use in this next upcoming legislative session. Just want to emphasize that that is what we're looking for is for this group to give us those recommendations which we will be able to use in this upcoming session. I just want to say thank you to everybody for being on this council. I'm really grateful. I just wanted to put that in there because I can't stay. Thank you so much everybody for your work. Thank you.

Senator Love: And I ditto what Sen. Augustine said. Thank you everyone. I just wanted to echo what Senator Augustine said. Thank you so much for your work.

Senator Augustine: That's Senator Love

Tyler: I'm sorry. Congratulations as well.

Michael Okoroafor: Senator Love, congratulations. You helped us get this going. Appreciate you.

Senator Love: Thank you, I just wanted to echo what Senator Augustine said. Thank you all so much for your work.

Senator Augustine: Thanks.

Bradley Baker: All right. So Eric, I think I saw you on the call.

Eric Weiss: Yep. Is there anything else you wanted to go through with the overall schedule? Otherwise, I can share my screen and kind of just jump in. Just let me know.

Bradley Baker: Yeah, I think that's all of the announcements I have for now. Actually I do want to - I mentioned this at our last meeting: HDR did the needs assessment for CO. I do want to point out some differences and some context.

- MD is on an accelerated schedule.
- MD is set up in a much better position from a data perspective because we are already receiving troves of data from the counties. That's going to help us in this needs assessment because all of that already exists. CO was really trying to stand up their

recycling system. And, I think their recycling rate is somewhere around 15% or something like that. So, the goal of their needs assessment was really to expand recycling in general. We're set up better from a data perspective because we already have a lot of that data. So, that should help us with the timeline. Eric, I'm going to hand it over to you.

Needs Assessment Update - Eric Weiss

Eric Weiss: Thanks Brad. I think both myself and a colleague of mine, Dan Bacehowski, is on the line. There's just 50 other people and they don't all fit on my screen. So, I just want to make sure that everyone gets an opportunity to get introduced both to myself as well as Dan, who led the work for CO. Both of us will be bringing a lot of solid waste consulting experience. In Dan's case, he led that effort for CO, like Brad had mentioned. What we want to do is take our learnings from that project, which was the first EPR needs assessment in the US, and be able to apply that to the needs for MD, and be able to help this council come up with data-driven recommendations to support the legislative effort going forward. We're really looking forward to that. I also have Jessica Lally on the line from HDR, who was also very involved in CO. Overall, between us and the significant amount of folks on HDR's end and our project partners and subcontractors, we are looking forward to getting into things, which just kicked off last week. I'm going to share my screen here.

Shannon and Eric: [set up sharing through google meets].

Eric Weiss: Again, we're really looking forward to getting into the needs assessment, and we're really happy to be working in partnership and looking to work very closely with this group here. It was happy to see people here and engaged both from the state of MD's leadership, private sector, and other folks that bring EPR experience from MES and other private sector folks that have worked internationally. As we know EPR is a fairly established legislative approach. This is where we're in this new space of applying that to packaging material. So, EPR legislation related to paint, hazardous materials, a much more developed set of programs in Canada/internationally. So, I think what we're trying to do - what we tried to do in CO and are going to be looking to help the state of MD dp going forward - is: what does EPR look like in the US and for packaging materials. The best approaches there in terms of providing the results of a needs assessment that will allow this body as well as the legislative assembly in MD to make informed decisions that are in the best interest of the state.

1. Project Management

Just starting from the top, our project management is going and we're working directly with Brad and his team to make sure that we can manage this project both providing the best value to the state of MD in the time frame that's required to meet the legislatively driven timeline. It's going to be a quick burn, it's going to be a lot of people jumping in from HDR and our contractors to carry out the scope, but, we had similar constraints in CO and were able to meet those expectations. We'll be working hard to do that starting from the kickoff last Friday, and we are off and running now.

2. Waste Characterization

One of the first orders of business is the waste characterization statewide. We have partnered with MSW consultants who is very experienced in doing waste characterizations around the country, and was the same group to conduct the prior statewide MD waste characterization in the 2016 time frame. A lot has changed related to packaging. A lot has changed related to the flows of tonnage across the state in that time frame. The goal is to have an updated baseline to be able to apply in our modeling really what is going on and what is going into the landfills in MD to understand the economic opportunity that EPR represents - pulling those materials out and making sure they end up in the recycling stream and at the recycling processing infrastructure across the state.

3. *Stakeholder Surveys/Interviews*

This is a key part of the data analysis effort. MD's statewide system is much more established in terms of recycling compared to CO. But, MD's a much different place, in terms of where the densest populations centers are and how that's spread out across the state. There will be some similarities - CO has a very densely populated front range area, but then a lot of landmass where there is a much more rural population. While it's not exactly the same in MD, there are the same kinds of considerations. We are discussing that with the team at MDE, understanding the access that the more rural areas of the state on the Eastern Shore, Southern MD, and the Western parts of the states that are not in the DC or Baltimore Metro areas have. Being able to solicit information from them in addition to the robust tonnage information and reporting that's done on a countywide basis is going to be the key focus of Task 3 here, as well as engaging the private sector. Part of that is to conduct surveys and interviews with the private sector operators (both the haulers, recycling processors, and the composting processors across the state) to understand the existing capacity, costs (operating and capital costs) so that we can present, as part of this needs assessment, where are the gaps in processing. If, for example, EPR were to be established and a certain new amount of tonnage were to appear at MRFs, could the current fleet of MRFs across the state really handle that? Would there need to be a significant capital improvement? That's a key part of what we looked into for CO and how we're now helping CAA develop program planning based on that needs assessment. I saw a hand go up. Scott, if you'd like to jump in, feel free.

[QUESTIONS]

Scott DeFife: Scott DeFife with the Glass Packaging Institute, also on the CO advisory board. Just a quick question - hoping that we will involve regional infrastructure for processing. MD is a smaller, wider, thinner state that borders many other states that have capacity that would be end markets for the material that is coming out of MD.

Eric Weiss: That's a great point. We will be looking at materials that can be processed in state, looking at tonnage flows to see what's being imported vs exported, and looking at the surrounding regions for those opportunities for end markets. So, I appreciate that comment.

Bradley Baker: Just a note on that. My team is tasked with bringing recycling markets to MD because we think we can do it better.

Scott DeFife: We'd love to build one here Bradley.

Bradley Baker: Absolutely. But we will look at other states as well. Chaz?

Chaz Miller: When you say recycling markets are you talking about processing or real end markets? Because processing can be done everywhere, and frankly DE is a cheaper place for the Eastern Shore right now than driving over the Bay Bridge. MO county uses Penn Waste in PA because its MRF is antiquated and doesn't have the capacity for a majority of its mixed commingled packages. And siting new facilities is very challenging.

Bradley: All good points there. With the EPR law, the fee that will come with that will hopefully help with some of the capital costs as well. So, there are going to be some opportunities to help shift the burden of recycling from the taxpayers to producers and to maybe help with some of those capital costs and make it a little bit more appealing.

Chaz Miller: I'm not talking about capital costs, I'm talking about the realities of siting and building a new facility and just some on the ground economic issues.

Tyler: Yeah, I mean we're not saying that we won't use out of state facilities for these. We're just saying that we also want to build the economy in MD, which is another important focus of the governor right now.

Eric Weiss: I appreciate that insight there, and your insight on the tonnage flows within the state. We look forward to taking into account all of the feedback here. But maybe we can save those kinds of questions until the end. Maybe as we walk through the anticipated scope, some of those questions may be answered.

Tyler: Thanks.

[PRESENTATION CONTINUED]

4. *Recycling Stream Analysis*

The recycling stream analysis is where we'll be setting the baseline for how recycling is managed from a hauling, processing and end markets perspective within the state and where material is flowing potentially to regional end markets.

5. *Infrastructure & Capacity*

This is where we'll be evaluating existing infrastructure and the capabilities of that. I think, Chaz, you made a good point there that some MRFs are already kind of at capacity, either from a sizing, operating perspective, or from the perspective of the amount of equipment they have in there. The combination of those three make it very challenging to accept potentially new materials where there are shortages of equipment, room to expand, or workers. All of those are important considerations to our technical analysis. This will be heavily informed by the surveys as well as waste characterization.

6. *Worker Conditions*

7. *Opportunities for WMBE*

This kind of is part of 4 and 5. What are the worker conditions and what are opportunities for establishing new jobs as it relates to the recycling industry in MD. Additionally, what are opportunities for Women and Minority-owned Businesses and Enterprises which we know is another key focus of the governor's office. We have strategic subcontractors and project partners that are very experienced with stakeholder engagement in MD.

Note: I'm going to go to the schedule in just a minute, but you can see when I get there that items 4, 5, 6, 7, 8 will be starting to happen as soon as next week in terms of digging into that data and starting to evaluate those opportunities.

8. *Multifamily & Commercial Recycling Services*

This is one of the more challenging aspects of considering EPR in terms of who will be covered by potential legislation. Residential is fairly straightforward in terms of how service is provided and being able to evaluate the opportunities there. Multifamily and commercial is a much more diverse set of businesses (apartment complexes that are managed individually across the state I would imagine by local ordinance in certain cases by city councils or town councils that all have their own diverse set of constraints and priorities. Being able to understand how Multifamily & Commercial Recycling is currently provided, and where those opportunities lie is going to be the focus of Task 8.

9. *Recycling Economic opportunities*

We will take information from the preceding tasks and look at economic opportunities. In the waste characterization: what good recyclables are currently being disposed of, where are there gaps in access, where does the infrastructure need to be developed, and what are the realities of developing that infrastructure. Like Chaz was saying, siting and building a MRF is always a good idea, but very challenging to implement especially in areas that are space constrained or have other permitting and zoning challenges.

10. *Equity within Recycling Systems*

- This looks at the existing access to recycling as well as insights from tasks 6 & 7 related to worker conditions and opportunities for WMBE.

11. *Costs, Benefits and Environmental Impacts of EPR*

All of this is building toward a pretty significant modeling effort which is going to be based on/patterned after the approach we took in CO to evaluate with Eunomia consulting.

12. *EPR Recommendations*

- Looking at a possible future state

13. *Writing the Needs Assessment*

- We will hopefully be able to communicate that we've looked at the technical considerations, but more than that we are able to take into account the needs of various stakeholders.

Bradley: Thank you. I am very excited for the waste characterization study. We conducted one of those in 2016. We wrote out the same scope and methodology for this assessment so that we can have comparable data. That should give us some idea of trends over time.

Eric:

Schedule

- A significant number of subtasks will go into each major task. We re-baselined it. I also want to commend MDE staff and procurement for getting this started. If we left everything the same as what was initially proposed, many of these tasks would be happening in the Nov-Dec time frame. The goal is to anticipate people leaving for the holidays and provide the report so that it can be used in the next legislative session.

Michael Okoroafor: One of the things we want to get out of this group is recommendations for the legislative process. Is this schedule fixed, or can it be accelerated?

Tyler Abbot: The final culmination of the needs assessment will not be ready until the end of the year. This is accelerated as fast as possible. However, deliverables will be presented to the group.

Ellen Valentino: Accelerating a timeline with incomplete data, do you believe that you have enough time to finish these tasks in a complete manner? Without the needs assessment, there will be a struggle going forward with recommendations for a system that may not be able to be agreed upon or fully understood. The last thing I think this group wants is vacuums of data, especially on significant policy.

Eric Weiss: There are two places (Items 2 & 3) that could cause delays. In the waste characterization, we won't be able to mobilize and do fieldwork until the end of October. There will need to be time to evaluate the data and work numbers into the report. We will use proxy data to advance modeling using the 2016 data. This is our mitigating approach. A lot can happen independently of waste sort data. There are limitations on the data that the state has - particularly cost data. How much does it cost for hauling, processing material and building new infrastructure? This will be a key part of surveys and interviews. If that gets stretched or delayed, it will have an impact on having a report that meets the states needs.

Ellen: How long did it take you to complete the needs assessment in CO? I understand the differential between MD and CO.

Dan Bacehowski: Approximately 3.5 months, including gathering data, visiting facilities, etc. We mobilized 80-90 folks within our team. We're prepared to do that with this project as well.

Ellen: As part of MD's needs assessment, I know MD receives a lot of data. Will you be validating that data? Providing a quality check?

Dan: We will be doing the best QAQC that we can and cross checking with other jurisdictions to verify that. We have a team that's compiled data from across the US and other EPR systems so we'll be cross checking as much as we can. So it will be truthed rather well.

Ellen: Regarding regulations for worker conditions - for disclosure, I didn't think that was the role. We now have new regulations that are impactful and costly such as heat regulations for workers. I didn't think we were a wage replacement responsibility goal here. I understand that is part of the needs assessment review. Here in MD we have new heat regulations, living wage standards and heat regulations. Tell me a little bit about that. Will you be breaking this down by county?

Dan: We will work closely with Bradley and MDE to understand the needs of that section.

Eric: Generally, the intention of Task 6 is to look at worker conditions specific to the recycling industry. What are the labor requirements for operation? Task 6 may provide information to help with other policy initiatives.

Bradley: There are fires at MRFs. We're going to be looking at that - that's sometimes due to batteries going through the MRFs. We are looking at worker safety concerns. We can also take into consideration some of the new legislation you mentioned as well.

Peter Hargreave: I believe the 2016 characterization study was fairly high level. Is there any additional detail planned about including what is considered packaging and different types of packaging? Will we know what percentage of plastic in the stream is packaging plastic?

Bradley: The law is required by county, by material - that is the level of detail we are going for. The methodology will be the same as the 2016 methodology.

Dave: We did it by the way counties report to us. It is not broken down by packaging, but it is broken down by types of plastic, metal, etc. It's exactly what the counties report to us for MRA.

Chaz Miller: OR did a very thorough needs assessment. They spent 2 years in a statewide committee working on a law to fit the needs brought up. I think it's very important that MD is taking the same approach. I'm concerned that we're rushing to a deadline that may not work in the real world. I want to do this right and not in a rush.

Bradley: We aren't starting from scratch. We'll start from the third reader of the bill. Then we'll compare that with the data from the needs assessment. We'll be reporting on the data as we get it. The advisory council will have that data. There was a lot of thought leadership that went into the 3rd reader. We can add or delete as necessary. We're set up in a better position than CO, and we have a ton of data, and there's already a lot of stakeholder feedback in the work on this program and bill from before.

Scott DeFife: Looking at the 2016 WCS, we've advanced beyond the 2014 way of counting waste characterization. Some materials may have been missed or mischaracterized. I would recommend MSW meeting with some of the material groups. (ex: 3-7 is a broad category for plastics, determining color on glass the way it was done for 2016 may not be accurate anymore).

Eileen Kao: I want to echo Ellen and CHaz's comments. I also want to mention that I think task 8 is so important. It's so critical to include and address those sectors. HDR, when you say Multifamily and commercial services, will it be limited to services or will you be looking at those sectors and the recycling and the implications that EPR requirements would have on those sectors or with those sectors? I think we need to be holistic. We have a very full set of requirements and programs that cover everyone in our jurisdiction. Those sectors have unique challenges and can generate the majority of the waste stream. When you say services, is that a limit of what you're looking at? And what is that, exactly?

Eric: I pulled up in more detail the subtasks within Task 8. We will be starting with determining the covered entities in terms of where recycling services are happening currently in multifamily and commercial sector, being able to look at the ordinances across the state that we are able to ID through the surveying and interview process, estimating the potential for increasing recycling across the state within these sectors, then looking at best practices for supporting and expanding recycling services and access to recycling for multifamily and commercial sectors.

Martha: When talking about the recycling needs assessment, EPR is more than just recycling. It includes reduction. When you do your modeling, will you include reuse and redesign in the modeling? Will there be an initial draft that we can give peer review on?

Tyler: The heart of EPR is to reduce at the start to prevent organizations from paying that upfront cost. So that will be a topic of discussion.

Bradley: There is a much more detailed work plan including reuse infrastructure and organics recycling infrastructure. This is not just recycling. Our scope is based heavily off of law.

Mario Minor: One question to Ellen's point about heat regulations. How are things being done on an international level? Is there any collaboration and coordination being done on that level? I would be happy to make introductions for this team.

Bradley: There are other countries that have more experience with EPR - we include Canada and France.

Sherry Wilson: I know we all have different concerns about timing. MD has a long history of legislative initiatives where legislation is setting up a framework for how to implement something over many years. There will be many opportunities to refine and get more data. Our goal is to set up that framework so that it can work long term.

Tyler Abbot: [Expressed agreement]

Bradley: There is much more discussion to come, but we need the authority to go forward in the first place.

Daniel Felton: Regarding the 3rd reader of the bill - if that could be shared with this group, that would be helpful.

Tyler: What we are talking about is the last version of the law before things were pulled out of it.

Dan: No project ever goes well. We have concerns here about timing. But it would be helpful to know if there were particular watch-outs from your experience in CO / roadblocks that we can be helpful with and things this group can be helpful with to ease any potential or real roadblocks.

Michael Okoroafor: Lessons that have been learned from prior experience is a good way to build our knowledge muscles.

Scott DeFife: I know we're all concerned with time. In support of what MDE and HDR are saying, the CO law was written and there was a time sensitive decision after the law was done. MD doesn't have an overall goal yet. The needs assessment is the first part. If the legislation doesn't need to focus on the needs assessment timing and things of that nature as much, some work can continue during the legislative session even while the legislation is being built toward the goals/outcomes that the state wants. It's doable - the more the consultants check in with different stakeholder groups, the more that will help. MD hasn't set its overall time frame for EPR. We're just conducting a needs assessment to help inform the next bill.

Ellen: I agree with Scott. I don't want to get caught on the 3rd reader bill. There's a reason it didn't pass - because it didn't have enough data to substantiate the policy in the 3rd reader. We need good data before policy can be developed. I would share the entire committee file. I know people had different positions on different components of the bill, even support for bottle deposits being pulled out. The needs assessment needed to be done, was our position.

Tyler: The 3rd reader is just a place to start. It didn't pass in the end because everyone wasn't happy with it. It would be harder for us to start at zero. That's where we have to kick ourselves off. Sharing the file will allow people to draw the conclusions they want from that at all. We'll include a blurb about how to

Bradley: The bill that drops I predict will not be the bill that passes.

Tyler: As always.

Eric Weiss: To wrap up based on that. This is a constrained time frame. To that point, we are starting immediately on tasks 2 & 3. The analysis is where the majority of the data will be compiled and modeled to inform policy making - it's clear that's what MD needs at this point. We understand it's different from CO in a number of ways. MD's reporting system is very well established. Checking in with this group on a regular basis is part of the plan (Task 1). Reporting will happen before and after the waste characterization study and after completion of the waste characterization and the bulk of the modeling. Hopefully, at that point, a decision can be made. I appreciate the opportunity to present and work with you all.

Bradley: We also ask for a way to ID and manage risk with scope, schedule, budget. So, that was a part of that. If something goes off the rails or a roadblock comes up, that was something we wanted to have more of our finger on the pulse of things that could potentially derail the scope, schedule budget.

Michael: Thank you very much.

Bradley: There will be a recording posted on our website. Our next speaker will be Scott Cassel. Mary Cummins will be at our next meeting.

Product Stewardship Institute - Scott Cassel

Scott Cassell:

Introduction of Scott Cassel and PSI

- I am the CEO and founder of PSI with 40 years of experience in waste management
- Wrote master plans for MA
- PSI is a national nonprofit that works across the country
- Founded this organization because recycling was levelling off, heard about EPR from BC.
- Our focus is on all consumer products, including packaging. We work with the entire waste stream
- Members from state and local government. State and local governments are our governance for the organization, but I am a trained mediator, and I know and fully believe that all of the other partners we have have a piece to the puzzle and all expertise needs to be melded together

PSI's work

- Collaborative problem solver. We do this through multi-stakeholder engagement
- We work on developing policies together. We don't tell states or stakeholders what to do. We offer options, program design and implementation, and education. Many producers still don't know what EPR is.

PSI Role in MD Bill Development

- I worked with Treasurer Brooke Lierman. Provided who was the mediator (PSI was an objective technical person).
- Working with senators Augustine and Love to try to solve this very difficult problem.
- We've also worked with Dan at AMERIPEN, Sherri with Trash Free MD, as well as others among you
- We are currently facilitating the advisory board in CO with CAA, HDR and Eunomia
- Hired by the state to be an objective pair of eyes, to facilitate, and to provide technical expertise
- We have developed EPR packaging models over the past 15 years, before any of the producers were interested in engaging

PSI Role in Other State Packaging EPR Bills

- Worked on particular bills with the goal of bringing multi-stakeholder input in
 - Developed the bill that went into legislative process in Minnesota
 - NY 2020, CT, VT, other states
- We mediated an agreement with the flexible packaging association
- FDA uses as their litmus test for supporting or opposing EPR

EPR and Product Stewardship

- Onboarding people approach is to bring everyone up to the same level of expertise.
- Producer responsibility is a mandatory form of product stewardship
- Extended producer responsibility definition (expansion of a producer's responsibility)

EPR: Network of Accountability

- Even though focused around producers, EPR is a network of accountability with various stakeholders who will be held accountable in some way.

Why is Change Needed?

- Municipal trash management was at one point a revelation. Then came recycling. Then that levelled off as volunteers maxed out. Then we worked to set that up through cities. This has maxed out as well. We are entering a whole new phase of development. But it will take a while for these systems to be fully developed.

Fragmented Recycling System

- Responsibility of the household/municipality to hire a service provider

What is EPR

- Under EPR, it becomes the PRO's responsibility on behalf of the producers
- Reimbursement to municipalities that hire the service providers

[Presented map and graphs of US EPR laws]

Product categories

- there are four other categories that are different from what we're doing with packaging. But there is that experience with EPR in the US.

Elements of effective US EPR Laws

- There are 16 elements. I know this can feel very complex. There are ways to simplify this. Go through each of these methodically. Ex:
 1. Covered materials
 2. Where are you picking up from? That's covered entities.

Packaging EPR Laws

- 5 Packaging EPR laws
- 12 US Packaging EPR bills - many of these are folks from the state and others we've worked with for a long time.
- Europe and Canada.
 - Unlike Europe - shared responsibility systems in Canada (financially and management-wise), over time giving more responsibility and cost burden to producers over time. It's not all going to happen at one time in the beginning.

Producer statement on European EPR Programs

- EPR does not contribute to inflation statement

Key Policy Choices

- Covered materials
- Performance Goals
- Covered Entities
- Collection & Convenience
- Responsible Party
- Governance
- Funding Inputs & Outputs
- Annual Report

Eco-Modulated Packaging Fees

1. Are you covered, are your products covered
2. What will you pay and how will you get that together
 - We can send information out to you.
 - How effective have eco-modulated fees on environmental factors been in getting producers to redesign?

- Reid Lifset is an academic working at a high level with peer-reviewed information

Policy can be phased in over time

- You need to make sure that happens in the legislation. But you can also require the agency to set regulations. You can also have that proposed in a plan from the PRO. Set specific dates. If MD is not a regulatory state, you may want to put more into plan, which gives more flexibility and possibility for new proposals

What to include in Statute, Rule & Plan

- There is a lot of variation here

What needs to be harmonized nationally

- The bills or laws are all different in the states. Like the paint program is - it's possible to harmonize to different degrees and greater consistency. Sequencing the law: You can step back and learn from those other states. Sometimes it doesn't make sense what those other states have done, so harmonization is important.
- CA and OR have different kinds of labels. Bringing stakeholders together in different forums. Definitions are important to harmonize as well
- Each state will say what's most important to them. You can get that consistent to the greatest degree possible.
- Maine was the first state with OR to pass their laws. OR July 2025, ME 1 year later. CO was 2022, but they will implement before Maine. These are things for you to consider.
- Not only to have information, but making key decisions together will help you move into the bill development phase.

We have a webinar coming up in Minnesota. [Presented book.][Opened the floor to questions]

Michael Okoroafor: This is good education for everybody. You referenced some of the places we've been looking for insights. [Spoke about France]

Ellen Valentino: Two quick questions. I know none of the states have implemented collection fees. I understand the EU model, I think there's a lot of stakeholders, but not all stakeholders are looking to cost impact. When do you think the first fee will be collected in the US and there will be fiscal data associated. What state will that be?

Scott: I believe it's next year.

Ellen: We'll be able to see a fiscal data track in 2025?

Megan: Oregon will be the first state July of next year

Ellen: MD is a hub for manufacturing. Do we know if this has had any impact on manufacturing locations. I assume manufacturers in the state may have more of a fiscal burden. Do you have any data or information about manufacturing, expansion or looking to another state to expand.

Scott Cassell: The one who is responsible is the brand owner/manufacturer. It's not necessarily in state. May be the first imported responsible if out of the country. Don't have to think about it

as the cost burden being on state manufacturers. There may be funding for upgrading the system and an increase in supply and less contaminated supply. It will be a boom to many groups.

Ellen: I appreciate recycler vs. product manufacturer. If I'm bringing more packaging product into the state, I'm paying more because I'm bringing more packaging here as the manufacturer? Would the assumption be because I'm a manufacturer here, I'd have more packaging here and then the burden would be greater here. Is that the way it works?

Peter Hargreave: The system is based on the materials supplied to consumers in that marketplace. So, if you are manufacturing and shipping those to other jurisdictions, none of those are caught. So, it's not disproportionately impacting any manufacturer that may be resident in the state. Just on your other question about fees, I can look into sending something to the group. In CO, reporting will be done next year. We need the supply data to establish the fees. October next year fees will be posted. Dues will be paid January of 2026. I need to double check OR. We're trying to ensure there's as much consistency across states as possible to ease some of the administrative burden.

Discussion

Michael Okoroafor: I don't see any hands up. Peter I think that is a good clarification that is consistent with what we're seeing.

Tyler: Do you have any closing words Michael or Angie?

Angie Webb: I really appreciate our presenters today. It shared good information and educated us. Everyone shares really good questions and thoughts. This group, we all have a great common goal in mind. Everyone's done a great job of asking the right questions. I appreciate everyone's feedback on this.

Michael Okoroafor: I agree with everything Angie said. With that, we have only 3 minutes. Do we want to take some questions from the public? Does anyone want to say anything before we close.

Open to the public

Angie Webb: John made a comment asking about the MRF tour, and I believe it's 10-12

Michael Okoroafor: Barring anyone speaking up now, I will turn it turn it over to Tyler.

Tyler: Thank you everyone for joining and participating. Stay tuned with emails with more information about the tour and previous bill history and then we'll have a fun meeting in August and again in September.

Michael Okoroafor: Thank you Shannon for jumping in and facilitating. Have a great day folks.