

# Product Stewardship for Packaging

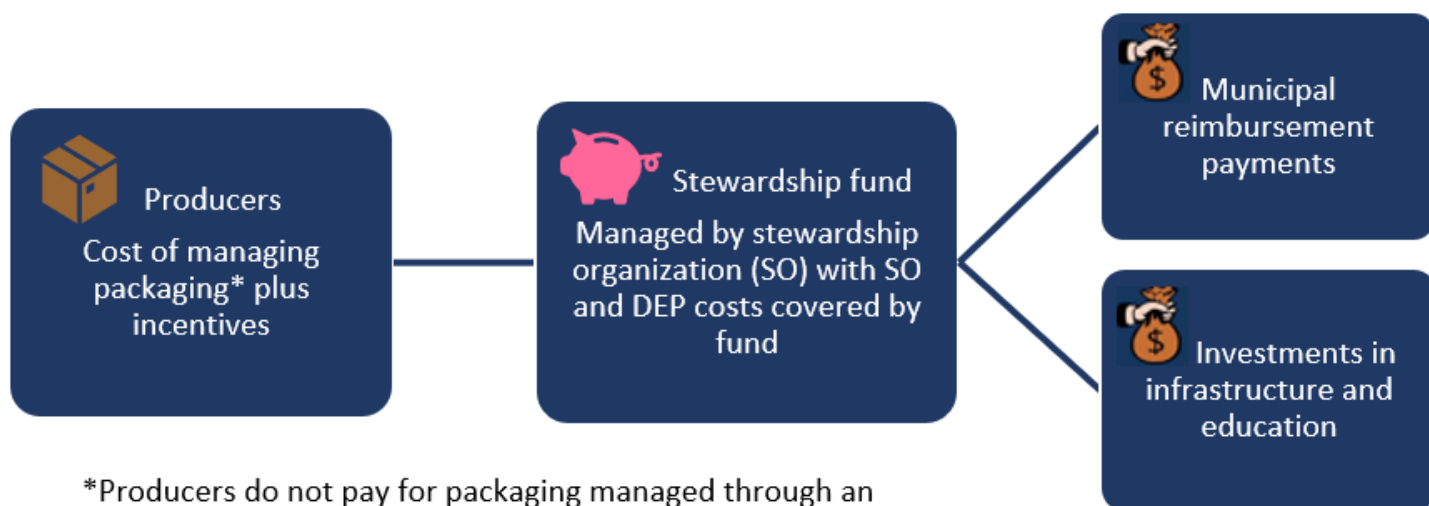
## Program Summary

### Product Stewardship

Product stewardship policies make a producer responsible for the end-of-life management of its products or packaging. This responsibility can be operational, financial, or both. By shifting this responsibility from municipalities to producers, product stewardship:

- Provides feedback to a producer about the cost and complexity of the end-of-life management of its product or packaging, and
- Ensures there are adequate resources for end-of-life management, thereby improving waste management outcomes.

### Maine's Packaging Stewardship Program



\*Producers do not pay for packaging managed through an alternative collection program.

Maine's Packaging Stewardship Program does not:

- Require municipalities to participate, or
- Ban, or create construction standards for, packaging.



## Alternative Collection Programs

With Department approval, producers may establish alternative collection programs. Under an alternative collection program, a producer, or group of producers, will collect and manage packaging to offset its payment obligation.

For more on alternative collection programs, see 38 M.R.S. § 2146(8) and Section 11 of the proposed Chapter 428.

## Producer Payments to the Stewardship Fund

Producers will pay into the stewardship fund for packaging they send in or into the State and do not collect and manage through an approved alternative collection program. Producer payments will be:

- Specific to each packaging material type, reflecting the operational cost of managing packaging to Maine municipalities, and
- Eco-modulated, signaling environmentally preferable characteristics and providing incentive to use packaging that:
  - Is recyclable,
  - Is less toxic,
  - Contains post-consumer recycled material,
  - Is not labeled in a way that misleads the consumer, or
  - Is less likely to be littered.

More information on producer payments:

- 38 M.R.S. § 2146(6) requires producer payments, and 38 M.R.S. § 2146(13)(A)(1) instructs the Department on how producer payments should be defined in rule.
- Section 10 of the proposed Chapter 428 outlines producer fees and Sections 6, 7, 14, and 15 form the basis for determining the packaging material type fees defined in Section 10.
  - Section 6 identifies those management costs that contribute to the reimbursement calculation.
  - Section 7 describes the way the costs identified in Section 6 are allocated to packaging material types.
  - Section 14 details the material audits and cost studies used to allocate costs to packaging material types.
    - Section 15 defines similar municipalities and describes the way median costs are calculated from the individual municipal costs figured in accordance with Section 7.



## Stewardship Organization

The Department will contract with a stewardship organization to administer the packaging stewardship program. The stewardship organization must:

- Conduct a statewide recycling needs assessment,
- Provide reporting assistance to municipalities and producers and receive and process reports,
- Conduct cost studies to facilitate municipal reporting of costs,
- Determine municipal reimbursements and producer payments in accordance with rule,
- Manage the packaging stewardship fund,
- Collect, evaluate, and submit investment proposals to the Department, and
- Conduct auditing and assess and evaluate program performance.

The requirements of the stewardship organization appear throughout the statute and proposed Chapter 428.

## Reimbursement Payments to Participating Municipalities

Participating municipalities will be reimbursed per ton of packaging recycled, reused, and composted; and for packaging that is not readily recyclable, participating municipalities will be reimbursed per ton that is not landfilled. To participate, municipalities must provide for the collection and recycling of all packaging that is readily recyclable and report to the stewardship organization.

- Participating municipalities may increase their reimbursement payments by increasing tons recycled or otherwise moving waste up the waste management hierarchy.
- Reimbursement payments will be at, or relative to, the median cost realized by municipalities with similar population and geographic location. Reimbursement at median cost, as opposed to actual cost, provides incentive for municipalities to operate efficiently.

More information on municipal reimbursement payments:

- 38 M.R.S. § 2146(9) and Section 12 of the proposed Chapter 428 outline requirements for participating municipalities.
- 38 M.R.S. § 2146(10) and Section 13 of the proposed Chapter 428 define municipal reimbursement payments.
- 38 M.R.S. § 2146(13)(A)(4) instructs the Department on how municipal reimbursement payments should be defined in rule.
- In combination, Sections 6, 7, 14, and 15 of the proposed Chapter 428 (described above) form the basis for determining the per ton reimbursement payments received by participating municipalities.
- Section 16 of the proposed Chapter 428 describes how to calculate the tons of each packaging material type a participating municipality recycled, reused, composted, or alternatively managed from the tons of material sent.



## Investments in Education and Infrastructure

Funds not used for program administration and municipal reimbursement will be dedicated to investments in infrastructure and education that:

- Support the State's solid waste management hierarchy,
- Promote a circular economy for packaging,
- Increase the recyclability of packaging,
- Increase access to recycling infrastructure,
- Improve consumer education regarding recycling, and
- Equitably support recycling and education efforts.

More information on investments:

- 38 M.R.S. § 2146(11) requires that the stewardship organization submit proposed investments to the Department and provides priorities for funding.
- 38 M.R.S. § 2146(13)(A)(8) requires the Department to further define the process of submitting and approving or denying investment proposals.
- Section 17 of the proposed Chapter 428 details the process of submitting and approving or denying investment proposals.

## Data and Program Assessment

The data collected by the stewardship organization to determine producer payments and municipal reimbursement payments will provide information on:

- Waste management costs and operations,
- The amount of packaging requiring recycling and disposal, and
- Actual recycling outcomes.

This data will enable identification of efficient and effective waste management methods and improve waste management decisions.

Additionally, the stewardship organization will annually assess progress toward the program goals of:

- Reducing packaging,
- Increasing reuse of packaging,
- Increasing post-consumer recycled content in packaging,
- Reducing litter from packaging, and
- Increasing collection and recycling access for Maine municipalities.

