

January 23, 2022

Maine Department of Environmental Protection Deering Building Room 101 90 Blossom Lane Augusta, ME 04330

RE: Maine EPR for Packaging Stakeholder Meeting – Municipal Reimbursement

To whom it may concern:

Thank you for the opportunity to submit comments regarding municipal reimbursements under Maine's new EPR for Packaging law. Upstream is a non-profit organization that sparks innovative solutions to plastic pollution by helping people, businesses and communities shift from single-use to reuse. We seek to live in a world where people and the planet are treated as indisposable and communities thrive without all the waste.

Maine's municipal reimbursement framework represents a major opportunity to accelerate packaging reduction and reuse throughout the state. ME DEP has posed the following question in preparation for its upcoming stakeholder meeting on municipal reimbursement:

How can reimbursements incentivize movement of material up the waste hierarchy while acknowledging the fact that some packaging is not readily recyclable?

As the law states, the method for calculating reimbursements must "...be designed to incentivize municipal waste management activities that represent higher priorities on the solid waste management hierarchy" [13(A)(4)].

Upstream encourages ME DEP to clarify through rulemaking that municipalities wishing to manage packaging materials through reduction and reuse - the most desirable outcomes on the waste hierarchy - are eligible for reimbursement of **all** associated costs. Municipalities should be incentivized to manage packaging materials within their jurisdictions by first reducing packaging altogether, followed by meaningful investments into reuse. Such activities and associated costs might include:

- Investments into packaging reduction and elimination measures in municipal spaces;
- Bonus payments to municipalities with purchasing/procurement policies that prioritize and achieve packaging reduction and reuse;
- Implementation or start-up of reusable food serviceware and other covered packaging in schools (the law states that reimbursable costs "...include costs associated with the management of packaging material collected in public spaces and schools" [10(A)(1)]);
- Placement of return kiosks for returnable/refillable packaging materials in public places or on municipal property;
- Installation, staffing, and/or ongoing maintenance of sorting and storage for reusable packaging materials at a transfer station or MRF, to recover valuable reusable materials before they enter the recycling stream;
- Outreach and support to food service facilities such as cafes, restaurants, and institutional dining facilities, and/or event venues such as stadiums, arenas, and concert halls, or to any other relevant businesses to encourage and support reuse;
- Supply of reusable packaging materials and foodware items or bulk sales infrastructure that enables the elimination or reduction of packaging to food service facilities, event venues, and any other businesses;
- Launching or expanding services that facilitate the use of reusable packaging, such as washing and sanitizing services, container rental services, etc. that reduce the community's dependence on single-use packaging;
- Testing reusable solutions in real-world scenarios to evaluate consumer demand and perception, and gather information on financial, operations, and environmental impacts;
- Implementing reusable packaging systems operated by third-party vendors who provide, collect, wash, and redistribute the packaging materials; and
- Bonus payments to municipalities who have successful policies in place that support reusable packaging for local businesses and schools.

These are real-life examples of municipal activities to support packaging reduction and reuse that are taking place or are under consideration across the country, and this is by no means a comprehensive list. Upstream encourages ME DEP to clarify through rulemaking that the full costs of any of these or similar activities supporting the reduction, elimination, and/or reuse of packaging materials are eligible for complete reimbursement by the SO.

Another topic under consideration by ME DEP is how to determine municipal costs associated with reimbursable expenses. The law indicates that DEP will specify information by rule for participating municipalities to provide to the SO regarding the costs they incur to manage packaging materials [10(A)]. To determine municipal costs associated with packaging reduction and reuse, Upstream encourages ME DEP

to specify via rule that reimbursements shall be provided for **all actual costs.** This will not only provide the maximum possible incentive for municipalities to manage materials in accordance with the waste hierarchy; it will also ultimately support the SO and its member producers in achieving the statutory goals - and reducing the costs - of the EPR program by reducing waste. The more municipalities do to support and enable packaging to be reduced and reused, the less producers will be obligated to pay into the system in material fees.

The costs associated with packaging reduction and reuse are distinct from recycling operations costs, which means they cannot accurately be represented by median per-ton costs (the method specified for determining reimbursement amounts for recycling operations). Reuse especially is a nascent sector and municipal activities to support packaging reduction and reuse will significantly vary from place to place. To truly incentivize municipalities to support reduction and reuse, the full costs of their efforts must be reimbursable by the SO. This framework will also ensure that taxpayer funds are not used to subsidize the transition to the circular economy that Maine seeks to establish through the EPR law.

Thank you again for the opportunity to provide comments on this crucial aspect of Maine's new packaging EPR program. For any questions, please contact me at <u>sydney@upstreamsolutions.org</u>.

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