



**Testimony in Support of
LD 1423, An Act to Improve Recycling by Updating the Stewardship Program for Packaging
April 23, 2025**

Senator Tepler, Representative Doudera, and Members of the Environment and Natural Resources Committee,

Thank you for the opportunity to present testimony on LD 1423, An Act to Improve Recycling by Updating the Stewardship Program for Packaging.

My name is Susan Bush and I am here today from Circular Action Alliance (CAA), a nonprofit U.S. Producer Responsibility Organization (PRO) dedicated to implementing effective Extended Producer Responsibility (EPR) laws for paper products and packaging. We support this bill, as we think it reduces complexity and risk for any entity, whether it be CAA or not, to implement this program.

To date, CAA is the only organization approved to implement U.S. EPR laws for paper and packaging. We are the selected PRO in Oregon, where the plan is finalized and producers have reported, and in Colorado, where the plan is currently being finalized. We are also the selected PRO in California, Maryland, and Minnesota. The CAA team also has significant experience implementing and improving EPR programs in Canada.

Our perspective is somewhat unique from other stakeholders, as we are primarily concerned with the successful implementation of these programs. In those states that have begun implementation, we have learned where actual or potential issues may exist and we've been working closely with regulators to address them. CAA wants these policies to be successful and our comments today are provided in that spirit.

CAA has participated in all of the stakeholder meetings that DEP has held, answered questions, explained various concepts, and submitted two very extensive sets of comments on the draft rules. LD 1423 helps to address some of the issues we have raised in previous submissions, including providing:

- Clarity regarding the definition of producer. A clear hierarchy would remove ambiguity regarding who the responsible party is, reducing opportunities for noncompliance, potential legal disputes, and simplifying enforcement efforts. States and Canadian provinces are moving to this clear hierarchy.
- The ability for the Stewardship Organization to describe the fee setting methodology in the plan, with DEP approval. This would allow fees to be tied to the budget, insulating the program from revenue overages and shortfalls, and allowing for more pro-active planning for investments. This is standard procedure in all EPR for packaging programs of which we are aware.
- Performance targets based on results of the needs assessment, ensuring targets and goals are data-driven and realistic, which is how goals have been or will be set in all of the other states.



- Flexibility to provide timeframes for SO internal activities in the plan, to be approved by the DEP, in order to harmonize with other states and gain efficiencies for producers and the SO. Again, in most cases such dates are agreed upon in the plan, not in rules.

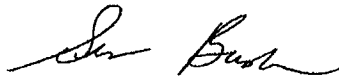
There are two additions we would make to the language of the bill:

- First, we would recommend ensuring that producers do not have to report using UPC codes. The bill specifies that the Stewardship Organization can report to DEP using other methods as well, but it's essential that the same reporting procedure is used at the front end, from producers to the Stewardship Organization. We are happy to work with your committee analyst on suggested language.
- Second, we recommend that language be included to permit the Stewardship Organization to cover its full operational costs and the Department's administrative fee in the start-up registration fee. This permits the Stewardship Organization to provide initial program funding and then recoup, thereby avoiding implementation delays. We would recommend the following sentence be added to the end of Section 15 of the bill (the "producer payments" provision of 38 M.R.S.A. § 2146(6)): "The start-up registration fees collected must cover the totality of the SO's operational costs and the administrative fee to the Department."

Again, CAA supports this bill, as it reduces some of the risks associated with implementing the program, and increases the odds of making the program successful, without delaying its implementation or reducing payments to municipalities for residential recycling services.

Thank you once again for your consideration.

Sincerely,



Susan Bush
Maine Program Manager
Circular Action Alliance

