

Testimony before the Committee on Environment and Natural Resources Peter Blair Conservation Law Foundation May 10, 2021

RE: Testimony in Support of LD 1541 – An Act to Improve Recycling Programs and Save Taxpayer Money

Dear Senator Brenner, Representative Tucker, and members of the Environment and Natural Resources Committee:

My name is Peter Blair, I am a staff attorney with Conservation Law Foundation's ("CLF") Zero Waste Project. Thank you for the opportunity to submit testimony on LD 1541, an Act to Support and Improve Municipal Recycling Programs and Save Taxpayers Money. Conservation Law Foundation <u>supports</u> this bill.

CLF is a member-supported nonprofit organization working to conserve natural resources, protect public health, and build healthy communities in Maine and throughout New England. Though its Zero Waste Project, CLF aims to improve waste diversion and recycling programs and protect communities and our environment from the dangers of unsustainable waste management practices and pollution from landfills and waste incinerators.

If passed, LD 1541 would create a first-in-the-nation extended producer responsibility (EPR) program for packaging. This significance of this should not be understated.

I. Shifting Financial Responsibility Upstream

According to the Maine Department of Environmental Protection, about 30 - 40% of the municipal waste stream is packaging waste. Annually, Mainers pay upwards of \$16 million to manage this material through recycling or disposal. The combination of the cost and volume of packaging waste has stressed municipal budgets across the state, leaving several communities with no option but to abandon or significantly reduce their recycling programs. Without these recycling programs, recyclable packaging ends up needlessly disposed of in landfills or burned in incinerators.

¹ Department of Environmental Protection, Annual Product Stewardship Report, p. 15, (January 2019). Available at https://www.nrcm.org/wp-content/uploads/2020/10/2019MDEPprodstewardshipreport.pdf ² *Id.* at 15-16.

LD 1541 will directly address the rising costs of recycling across Maine by shifting the financial burden for managing the end-of-life disposal and recycling of packaging from residents to the producers who make the packaging. Under Maine's current system, these producers are completely insulated from the cost and burden of the waste they create. They have no incentive to reduce the packaging waste they create. No incentive to redesign their packaging to make it more environmentally friendly. Given that these companies have control over the design, quantity, and type of packaging they produce and sell into Maine, they should be responsible for managing the costs of disposal. This consistent stream of funding will not only help stabilize recycling programs but will also provide the revenue needed to significantly improve Maine's recycling infrastructure.

II. Incentivizing Beneficial Behavior – Reduction, Reuse, Recycling

By shifting the financial responsibility from consumers to producers, LD 1541 will incentivize environmentally preferable behavior. Each company will be responsible for paying fees based on the amount of packaging they sell into the state. Therefore, reducing the amount of packaging will directly lower the fees the company has to pay. Outside of this direct incentive of reduction, LD 1541 also provides additional incentives through its "eco-modulated" fee structure. These eco-modulated fees are designed to lower the costs for companies that meet specific environmental objectives like switching to reusable packaging, incorporating post-consumer recycled content into their packaging, reducing toxicity, and ensuring that their packaging is readily recyclable in Maine.

III. EPR for Packaging System Have Been Highly Successful in Other Jurisdictions

While LD 1541 may be the first EPR for packaging system in the United States, EPR for packaging programs are the most common form of EPR policy across the world. Estimates indicate that over one billion people live in jurisdictions where companies pay some or all of the cost of packaging collection and recycling.³ The widespread implementation of these programs is a direct result of their effectiveness.

Resource Recycling Solutions analyzed the impact EPR for packaging programs had in the five Canadian provinces that have implemented them. They found that residential recycling rates increased immediately by an average of 8% following the adoption of an EPR for packaging program.⁴ Within 2-4 years, the recycling rates increased by 17%.⁵ After 8-10 years, the recycling rates increased by 29%.⁶

³ Countries with EPR for Packaging Laws include – Albania, Australia, Austria, Belarus, Belgium, Bosnia and Herzegovina, Brazil, Bulgaria, Cameroon, Canada, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Japan, South Korea, Kosovo, Latvia, Liechtenstein, Lithuania, Macedonia, Moldova, Montenegro, Netherlands, Norway, Poland, Portugal, Romania, Russia, Republic of Serbia, Slovakia, Slovenia, South Africa, Spain, Sweden, Tunisia, Turkey, Ukraine, United Kingdom, and the Vatican.

⁴ Resa Dimino, Briefing to the Maine Environment and Natural Resource Committee, Resource Recycling Solutions, p. 22, (January 22, 2020).

⁵ *Id*.

⁶ *Id*.

Producer funded recycling programs are also significantly more effective than Maine's current taxpayer-funded recycling systems. According to the Department of Environmental Protection, Maine's recycling rate for 2019 was 37.81%.⁷ Not only does this fall short of the state's current goal of recycling at least 50% of all municipal solid waste generated in the state per year, but it is significantly inferior to the rates seen in countries with EPR for packaging programs. Belgium was an early adopter of EPR for packaging, passing their law thirty years ago. The country has an 80% recycling rate.⁸ France's program has been operational for twenty-seven years and has a 70% recycling rate.⁹ British Columbia has had an EPR system for seven years and has a recycling rate of 72.8%.¹⁰

IV. Conclusion

Enacting LD 1541 is the single most important action that Maine legislature can take to increase recycling rates. Maine's current system is simply not working. Recycling rates have stalled, and costs are continually increasing. The EPR system proposed by LD 1541 will help Maine take hold of its recycling system by placing the burden for funding these programs with the companies that created the problem in the first place. CLF strongly supports this bill. Thank you for your time and consideration of this testimony.

Respectfully submitted,

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Peter Blair

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⁷ Department of Environmental Protection, Maine Solid Waste Generation and Disposal Capacity Report for Calendar Years 2018 &2019, p. 2, (January 2021).

⁸ Natural Resource Council of Maine, Producer Funded Recycling Programs – Recycling Rates, p. 2. Available at https://www.nrcm.org/wp-content/uploads/2020/02/LD2104attachments.pdf

⁹ *Id*.