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Testimony in Support of LD 1431, Resolve, To Support Municipal Recycling Programs

Sarah Lakeman, NRCM Sustainable Maine Project Director, April 18, 2019

Senator Carson, Representative Tucker, and members of the Joint Standing Committee on Environment and Natural Resources, my name is Sarah Lakeman and I am the Sustainable Maine Project Director for the Natural Resources Council of Maine (NRCM). I appreciate this opportunity to speak in support of LD 1431, which may be the most important and transformative municipal solid waste-related policy up for discussion this session. We urge the committee to support this zero-risk way to advance the concept of an Extended Producer Responsibility (EPR) program for post-consumer packaging in Maine.

The shake-up in global recycling markets may be a blessing in disguise because the recycling and waste management challenges faced by Maine's municipalities, which were once hidden from public view, have become increasingly apparent. Evidenced by the collapse, reduction, or increased costs of many of Maine's municipal recycling programs, it's clear that our tax-payer funded and fragmented waste management infrastructure in Maine is neither sustainable nor resilient.¹ Recycling has long been recognized as a key strategy to conserve our Earth's finite resources and keep valuable materials out of landfills and incinerators, and we must fight to protect it through innovative policy solutions like LD 1431.

Taking an EPR approach to post-consumer packaging materials, like plastic, cardboard, and metal, could produce similar benefits to our other product stewardship programs that have been working in Maine for years. EPR for packaging is common outside of the U.S.; more than 40 other jurisdictions around the world have some form of this policy, including all 28 countries in the European Union, as well as Israel, Brazil, Chile, India, Russia, and five Canadian provinces. Some of these laws have been in place for 30 years and we can learn from them when crafting a policy that is right for Maine. Based on our experience and that of others, these are some of the benefits we could realize with a well-crafted EPR for packaging policy in Maine stemming from passage of LD 1431:

Saving Maine cities, towns, and taxpayers up to \$16-\$17.5 million per year in recycling and disposal costs:² The cost of managing waste is often one of the highest line items in a town budget behind schools, police, and fire departments. Any funds not spent on waste can be funneled toward waste management, can be directed to other parts of a town budget, or even result in a lower tax rate. Mainers want to do the right thing and recycle, but towns are struggling to support recycling programs due to high costs when compared with disposal at a landfill or incinerator. LD 1431 seeks to ensure that recycling will make more financial sense than disposal in all Maine towns, and it appropriately shifts the financial burden of waste management away from municipalities and taxpayers.

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¹ A running list of Maine's municipalities that have reduced or eliminated recycling programs is attached. ² DEP cost estimate from 2019 Annual Product Stewardship Report

- Creating a more circular economy where producers of packaging would have an incentive to design products that are more easily recycled, less wasteful, more efficient, and use more recycled content. About 30-40% of municipal solid waste is made up of plastic, metal, and cardboard packaging materials, but many product packages are not designed with recycling or reuse in mind. A major reason for this is that those who create and profit from packaging are disconnected from those who end up managing and paying for the waste it creates. LD 1431 could establish a more circular system, where the post-consumer recovery aspect is incorporated into packaging manufacture and design through either statutory requirements or price signals. For example, producers of materials that have a well-established recycling program in place and are of a high-market value would pay less into the system than those producers who sell packaging materials that are invaluable or wasteful. Combining an EPR approach to packaging with recycled-content requirements or goals could further strengthen and bolster the recycling economy.
- Allowing Maine to finally reach our 50% recycling goal established in 1989. Maine passed a law establishing a 50% recycling goal 30 years ago. But despite good intentions, the state recycling rate has remained stagnant, hovering around 40% and falling. Shared responsibility for waste management sends the right economic incentives to packaging producers and recyclers, and municipalities, which could help Maine increase our recycling rate to well above 50 percent. Many of the jurisdictions with this type of policy now see 60-80% recycling rates. And even more important, EPR for packaging could help us reduce overall waste if the program is structured the right way.
- Establishing a way for all Maine communities to recycle the same materials, making statewide recycling education possible. Statewide recycling education is often touted as a way to help boost recycling rates, but right now that concept is flawed. Since Maine's communities currently operate on a somewhat fragmented basis, with neighboring communities sometimes having wildly different recycling programs, it's impossible to share a broad message about what is recyclable and what isn't. But with an EPR approach, Maine could require that a producer responsibility stewardship organization ensure access to recycling for all Mainers for certain materials, and could help fund and execute an education campaign that is badly needed. Since this group would be made of the companies that also manufacture the packaging, they will know which materials are entering our waste stream.

NRCM believes that this resolve is a key way to bring the stakeholders to the table and to draw out what the most important elements of an EPR for packaging program are to Maine—even the criticisms of existing programs are constructive and helpful. A vote in favor is simply an endorsement of this concept, and the programmatic details can be worked on over the next year. Please join me in support of LD 1431, and I'd be happy to answer any questions.

Attachments:

- > List of Maine towns that have stopped or restricted recycling due to recent cost increases
- NRCM fact sheet on LD 1431

Rural Communities Struggling to Maintain Recycling Programs

96,442 MAINERS

HAVE RECYCLING PROGRAMS THAT HAVE SIGNIFICANTLY RESTRICTED THE KINDS OF MATERIALS THEY CAN TAKE OR HAVE CLOSED ALTOGHETER.



Appleton	Columbia	Jefferson	Pittston
Belgrade	Corinth	Kingfield	Rome
Blue Hill	Dedham	Liberty	Rumford
Bowdoinham	Dixmont	Lubec	Somerville
Bradford	Eddington	Manchester	Sorrento
Bradley	Ellsworth	Mount Vernon	South Bristol
Bristol	Franklin	New Portland	Stetson
Brooksville	Gouldsboro	Newport	Sullivan
Carrabassett Valley	and a second	Nobleboro	Union
Castine	Hampden	Ogunquit	Unity
Charleston	Hancock	Orrington	Washington
Clifton	Holden	Phillips	Winter Harbor
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From the Field

"My personal opinion is that the only way to make recycling work in every economic environment is to have cradle to grave manufacturers responsibility." -Manager Central Penobscot Solid Waste

LD 1431: Resolve, to Support Municipal Recycling Programs, would bring stability and equity to Maine's recycling programs, and is needed to reach the goal of recycling 50% of our municipal solid waste.

All 28 countries in the European Union, Israel, Brazil, Chile, India, Russia, numerous other countries, and Canada's four largest provinces have programs where producers of packaging share in the cost of managing it. Some of these laws have been in place for 30 years, and many of these places now see 60-80% recycling rates.



Improving Recycling and Reducing Waste in Maine

Support: LD 1431 *Resolve: To Support Municipal Recycling Programs*

Sponsored by: Rep. Mick Devin **Co-sponsored by:** Sen. Carson of Cumberland, Sen. Foley of York, Rep. Fay of Raymond, Rep. Gramlich of Old Orchard Beach, Rep. Grohoski of Ellsworth, Rep. Keschl of Belgrade, Rep. Reckitt of South Portland, and Rep. Tucker of Brunswick

Support this resolve to save \$16 million to \$17.5 million of taxpayer money, encourage less wasteful packaging, and conserve our natural resources through more recycling.

For more information, please contact Sarah Lakeman, (207) 430-0170 or slakeman@nrcm.org



3 Wade Street Augusta, ME 04330 (207) 622-3101

207) 622-310 nrcm.org LD 1431 resolves to create a policy that would support and improve Maine's municipal recycling programs by ensuring that companies that produce consumer packaging share in waste management costs.

Maine's recycling programs are weak, and this bill addresses the reasons why:

1. Maine cities, towns, and taxpayers now bear the full burden of managing waste and recycling in Maine. Mainers want to do the right thing and recycle, but towns are struggling to support recycling programs, the cost of which fluctuates with the recycling market. Lately this has resulted in weak, expensive, or closed recycling programs in Maine communities.

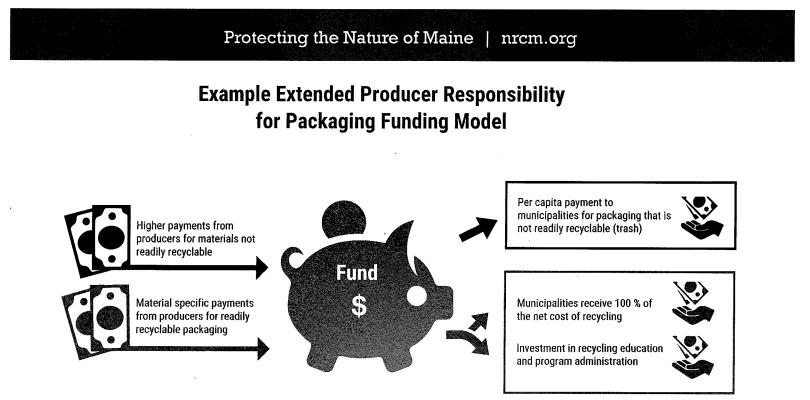
LD 1431 makes recycling funding fairer: financial responsibility is shared between Maine taxpayers and packaging producers. This bill will ensure that recycling will make more financial sense than disposal in all Maine towns. It will make our recycling programs sustainable, help prevent towns from making the choice to abandon or shrink their recycling programs, and keep valuable materials out of our landfills.

2. About 30-40% of municipal solid waste is made up of plastic, metal, and cardboard packaging materials. Despite this high proportion, many product packages are not designed well for recycling or reuse. A major reason for this: Those who create and profit from packaging are disconnected from those who end up managing and paying for the waste it creates. This means Maine towns end up reacting to an ever-changing and difficult-to-manage waste stream consisting of packaging materials created by others.

LD 1431 would create an incentive for producers of packaging to design products that are more easily recycled, less wasteful, more efficient, and use more recycled content to support recycling markets.

3. In 1989, Maine passed a law establishing a 50% recycling goal. But despite good intentions, the state recycling rate has remained stagnant, hovering around 40% and falling. Shared responsibility for dealing with waste sends the right economic incentives to packaging producers and recyclers, which could help Maine increase its recycling rate to well above 50 percent.

The U.S. <u>does not</u> have a law requiring manufacturers to help manage their packaging waste, but many other countries do, including all 28 countries in the European Union. So do Israel, Brazil, Chile, India, Russia, numerous other countries, and Canada's four largest provinces. Some of these laws have been in place for 30 years, and many of these places now see 60-80% recycling rates.



This concept, *Extended Producer Responsibility for Packaging*, has been tested and proven in countries all over the world through various models.

Countries with Extended Producer Responsibility Laws for Packaging

