

IMPROVE RECYCLING, REDUCE UNNECESSARY PACKAGING, AND BUILD MORE RESILIENT DOMESTIC SUPPLY CHAINS

THROUGH PRODUCER RESPONSIBILITY FOR CONTAINERS, PACKAGING, AND PRINTED PAPER

KEY TALKING POINTS IN SUPPORT OF POLICY

What will this policy do?

- This policy will reform a broken, piece-meal approach to managing household waste by creating a fairer system that can spark innovation in packaging design and make recycling easier and more cost-effective.
- It will make it easy and convenient for every Coloradan to recycle more plastic, aluminum, glass, cardboard, and paper.
- It will help businesses by creating a more resilient domestic supply of recycled materials to use to make new products, reducing reliance on imported materials.
- Building circular economies through EPR systems will grow the long-waning manufacturing sector, adding good-paying jobs, stimulating product innovation and driving costs of materials down.
- This will rapidly improve Colorado's recycling rate and result in fewer greenhouse gas emissions, cleaner air and water, less waste sent to landfills, and stronger local economies.
- Create a diverse, steady and reliable funding source for waste diversion infrastructure not subject to government budget trends or politics with limited cost to the consumer.

How will this policy benefit Colorado?

- Increase and enhance recycling. This policy will provide free, convenient recycling to all Colorado residents and develop a consistent statewide list of what can be recycled.
 Recycling will be as convenient as trash service.
- Support Colorado businesses by creating a more resilient domestic supply of raw materials. Businesses are struggling to source the metal, paper, plastic and glass needed to make new packaging and products. Meanwhile Colorado buries over 5.8 million tons of waste in our landfills every year. By recycling more, we can create a reliable domestic supply of recycled metal, paper, plastic and glass to make new products.



- Invigorate Colorado's manufacturing sector economy. By providing clean recycled materials for manufacturing, Colorado will be a unique supply center for processors and manufacturers to source material and establish operations. Paired with the End-Market Development Center, this element will close a critical gap in the circular supply chain.
- Reduce climate pollution. Every one ton of materials recycled saves nearly three tons of carbon emissions. By recycling just 10% more, Colorado could save more than 450,000 tons of carbon emissions annually, the equivalent of taking nearly 100,000 additional cars off the road every year.
- **Save money for local governments.** Producer responsibility for containers and packaging can reduce or eliminate the money local governments currently spend to operate curbside recycling programs or recycling drop-off centers, potentially saving tens to hundreds of thousands of taxpayer dollars per year.
- Reduce unnecessary packaging and reduce plastic pollution. Companies will be charged based on the amount and type of packaging used. The less packaging a company uses, the less they will pay. There are also incentives to move companies toward using more reusable, recyclable and less toxic packaging.
- Improve equity in recycling. Recycling across the state is generally more convenient in more affluent communities and among single-family homes. Most apartment residents lack onsite recycling services, creating a service inequity between single-family homes and multifamily residences. Many communities cannot afford to provide recycling drop-off centers and rural areas face significantly higher costs. This policy will create a sustainable funding system to support convenient, equitable recycling for all residents regardless of income, housing type or demographics.

Who are the primary supporters of this policy?

This policy is supported by a broad, bipartisan coalition including:

- Local governments from around the state that want to provide better recycling services and reduce costs.
- **Recycling industry members** that want to make recycling more consistent, cost-effective and financially sustainable for all Colorado residents and businesses.
- **Consumer goods companies and industry groups** committed to the sustainability of their packaging and secure more recycled materials to use to make their products.
- **Environmental organizations and other nonprofits** that want to reduce climate pollution, unnecessary plastics and overall waste.



Where is this policy in place and how is it working?

- Over 40 countries and provinces have producer responsibility policies for containers and packaging materials, and Maine and Oregon adopted the first US policies in 2021.
 Colorado's producer responsibility program for paint, run by PaintCare, has successfully increased paint recycling and saved municipalities tens of thousands of dollars per year since implementation in 2015.
- Colorado will be on the leading edge of producer responsibility policies for packaging in the U.S. At least 7 other states are expected to introduce this policy in 2022 including Washington, Maryland, Vermont, New York, Connecticut, Massachusetts, and Illinois.

Are businesses supportive of this policy?

Over 100 global companies support producer responsibility policies to increase recycling, reduce plastic pollution, and help strengthen local economies. These companies, and many others, are struggling with massive disruptions in the global supply chain that have made it challenging to secure the raw materials to make their products. Stronger local recycling programs will create a more stable, domestic supply of raw materials such as aluminum cans, paper, and plastic bottles to make new products. Companies want more recyclable materials than are currently collected and are supporting producer responsibility policies to help bridge this gap. In addition, these companies have made strong commitments to recycling as part of their corporate sustainability goals.

How will a producer responsibility system work?

Companies that sell plastic, metal, glass, paper and other forms of containers, packaging and food serviceware would be required to pay for a statewide recycling system to recycle their products. The companies would come together to form an independent non-profit organization, called a producer responsibility organization (PRO), to coordinate, fund, and manage this statewide recycling system. Companies will pay membership dues to the PRO based on the amount and type of packaging sold in Colorado. The PRO will create one consistent statewide list of what can be recycled, and then the PRO will pay private companies and local governments to operate recycling collection and processing programs. The PRO will cover 100% of the costs of recycling, including consumer education and government oversight of the program. The state agency will oversee the PRO. An advisory council will be established, composed of local governments, recycling companies, nonprofits and other key stakeholders, to help the state oversee the program and to ensure the PRO system meets the needs of local Colorado communities and businesses.



How was this policy developed?

- In 2018, the Colorado legislature convened an interim committee focused on advancing recycling and zero waste solutions. As a result of this work, in 2019 the legislature adopted SB20-055, which required CDPHE to conduct a literature review of producer responsibility programs and make recommendations on policies for Colorado.
- In 2021, CDPHE conducted a study and stakeholder process and then released its findings.
- Recycle Colorado, the statewide membership organization representing municipalities, recyclers and companies, held a series of stakeholder meetings to develop producer responsibility principles and released these principles in October 2021.
- Since October, the bill sponsors have held extensive 1:1 and broad stakeholder meetings with a diversity of stakeholders.
- The legislation was modeled after the producer responsibility policy introduced in New York state in 2021 (SB1185C). While this policy was not adopted in New York, it underwent the most extensive stakeholder process of all producer responsibility bills to date and represented a viable model that could apply to Colorado's recycling and government system. Changes were made to the policy to reflect Colorado statute as well as the strong role of the private industry in running Colorado's recycling programs.

Will this raise prices for consumers?

- Producer Responsibility programs are in place in over 40 countries and provinces, and some have been around for nearly three decades. All of the available evidence shows that producer responsibility programs do not lead to a noticeable increase in consumer prices based on research on similar programs throughout Canada and Europe. Since the cost to companies required to participate typically works out to be fractions of a penny per container, producer responsibility programs do not directly cause increased prices for consumers. According to Forbes, there are many factors currently contributing to inflation and rising prices for consumers. This includes shortages in the supply chains due to the pandemic and the increased costs of labor. These factors have a far greater impact on the price of goods than the funding used to support recycling.
- In addition, recycling will be provided at no charge to residents and businesses. This
 means those households and businesses who currently pay for recycling services will
 save money, and residents and businesses without recycling currently will be provided
 with new services for no charge.

Who is expected to oppose this policy?

 Over the past few years, there has been broad stakeholder alignment around the need for producer responsibility policies for containers, packaging and paper products across the U.S. There is almost no opposition to the principles of producer responsibility and the



need for these policies to improve recycling. However, individual stakeholders have differing approaches to the details of the legislation and how the programs are overseen and implemented.

Learn more about why Producer Responsibility is right for Colorado at

https://ecocycle.org/take-action/zerowastecolorado/legislation.

Producer Responsibility in Colorado has strong bipartisan support from local governments, consumer goods companies, recycling businesses, environmental groups, and many more. For more information, please contact:

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