

Producer Responsibility Policy: HB22-1355



Representative
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Producer Responsibility policy will:

- Develop a coordinated, convenient, cost-effective recycling system statewide
- Be funded and managed by producers who make and sell packaging and paper
- Industry-run program with appropriate government oversight and advisory board of key stakeholders
- Based on proven policies in place for decades in 40 countries and provinces, and adopted in two US states in 2021

HOW DOES IT WORK?

Companies selling covered materials register with a Producer Responsibility Organization (PRO)




Producers pay dues to the non-profit PRO.



PRO develops plan to improve recycling statewide.

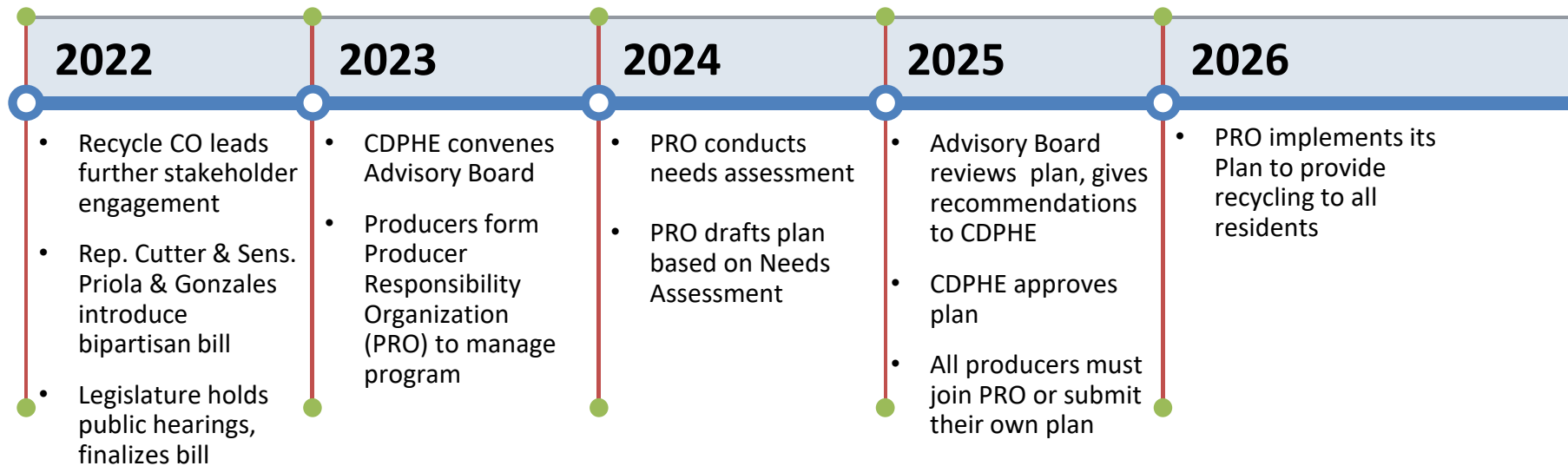


PRO contracts with haulers to provide convenient recycling at no charge to all residents.



Option for an individual company can create its own recycling plan to manage its materials.

The policy will roll out over several years.



Sections of the bill

- Definitions
- Advisory board
- Needs assessment and plan proposal
- Reimbursement to service providers and minimum recyclable list
- Education and outreach
- Additional plan & compliance
- Annual report
- Enforcement
- Producer exemptions

What is a Producer Responsibility Organization (PRO)

- Independent non-profit outside of government
- Industry-run membership organization made up of producers
- Responsible for funding and managing a coordinated statewide recycling system
- Collects dues from members
- Contracts with haulers and recyclers to provide recycling
- One single PRO will manage the program to start
- Additional PRO may be approved in 2029 as needed
- Board of diverse members
- Governance is not prescribed in the bill

Who is a producer

- **Most commonly it is the brand name**
- If not a branded product, is the manufacturer
 - If outside the US, is the distributor into the state
- For newspaper and magazines, it is the publisher; for other paper, it is the brand name or manufacturer/distributor
- For online sales, the distributor is responsible for shipping packaging (the producer is still responsible for the packaging directly around the product)
- For all others, it is the first distributor into the state

You are not a producer if you:

- Do not sell products in the state of Colorado
- Do not use packaging for your products
- Do not sell products under your name (farm products)
- Have less than \$5 million in gross revenue (not including on-premise alcohol)
- Use less than 1 ton of material
- Are a state or local government or nonprofit
- Are an individual restaurant location
- Have specific federal packaging requirements for safety, including marijuana, prescription drugs, pesticides, animal tranquilizers
- Are a retailer, except if you have your own store brand

What are covered materials

- All consumer-facing packaging: bottles, containers, cardboard
- Printed paper (magazines, junk mail)
- Food service packaging
- All products pay into the system even if not recyclable



What are NOT covered materials

- Medical devices, hazardous materials
- Packaging used for business to business sales
- Packaging used to distribute or transport products that do not go home with consumer (pallets, etc.)
- Durable packaging or storage materials
- Books



Dues structure for producers

- Producers pay membership dues to the PRO
- Dues are based on amount and type of packaging (not on the amount of product)
- Dues are less for materials that are easy to recycle and/or have high levels of recycled content to encourage better product design
- Newspapers and magazines may choose to pay the dues OR print advertising on the program

Sample average dues from Canadian programs

Material	Cost per pound (USD)
Aluminum cans	\$0.03
Newspaper	\$0.04
Glass bottles	\$0.06
Cardboard	\$0.10
Plastic water & soda bottles (#1 PET)	\$0.13
Plastic bags and films	\$0.22
Polystyrene plastic (#6)	\$0.30

- Fractions of a penny per product
- Costs for Colorado will be set by PRO and determined by needs assessment and PRO plan
- No evidence of cost increases to consumers with any program

What is included in needs assessment?

Current services and gaps in recycling for residents

Demographic factors affecting costs and services around the state

Infrastructure, services, and technologies needed to improve recycling

3 scenarios for future recycling rates and projected capital and operating costs

Opportunities to improve nonresidential recycling (small businesses, parks)

Opportunities to expand reuse and refill

What is included in program plan?

- Minimum recycling goals by 2030 & 2035
- Recycled content goals
- Metrics and goals to improve reuse
- Education program on what to recycle
- Cost formulas to reimburse recyclers
- Program budget
- List of what will be recycled statewide



Who receives recycling services: Covered Entities



- **All single-family and multi-family residents throughout Colorado**
- Recycling is as convenient as trash service
- Recycling provided at no cost
- Needs assessment will study if and how to expand services to nonresidential locations including schools, small businesses, government buildings, public spaces (parks); may be included after 2028

What is the responsibility of the resident?

- **Nothing.** You will receive a recycling bin from a contracted hauler that you may use for FREE.
- This is not a recycling mandate.
- Available education on recycling
- Consistent list of what's recyclable statewide



Who provides the recycling services?

PRO contracts with private and public service providers

Utilize and expand existing businesses

No requirement for local governments to be service providers but can do so if they want



PRO reimburses for 100% of actual recycling costs



COLLECTION &
TRANSPORTATION



PROCESSING



EDUCATION



INFRASTRUCTURE
INVESTMENTS

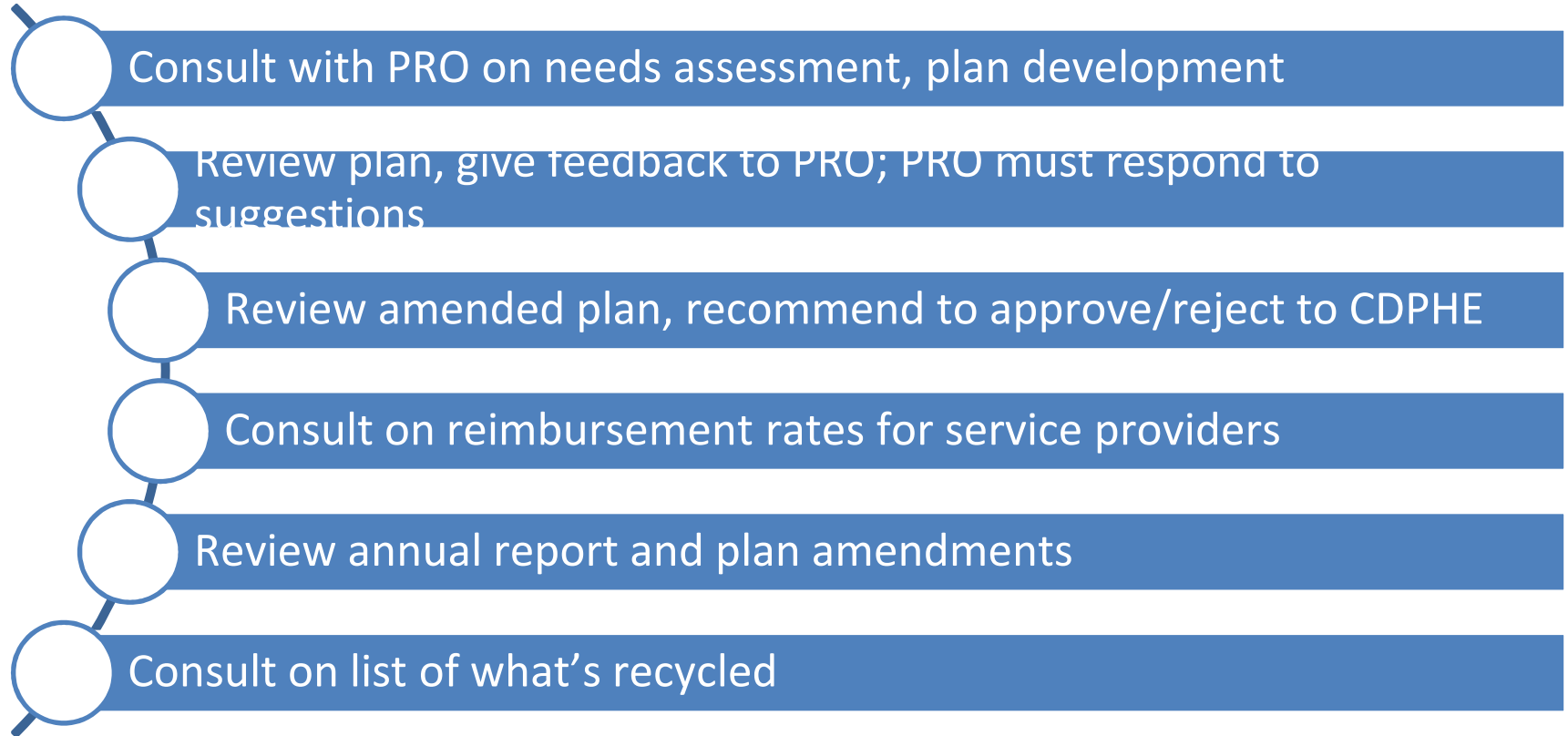
How do stakeholders provide input to PRO?

Advisory board of 13 members

- 3 local governments
- 4 operators: hauler, recycling facility, compost facility, and landfill
- Environmental nonprofit
- Environmental justice representative
- Packaging manufacturer
- Paper manufacturer
- Retailer association
- Business association (chamber or similar)

- PRO and CDPHE each have a non-voting seat.

Advisory board roles

- 
- Consult with PRO on needs assessment, plan development
 - Review plan, give feedback to PRO; PRO must respond to suggestions
 - Review amended plan, recommend to approve/reject to CDPHE
 - Consult on reimbursement rates for service providers
 - Review annual report and plan amendments
 - Consult on list of what's recycled

Roles – Oversight & Enforcement by CDPHE

- Similar to Colorado Producer Responsibility program for paint (2015)

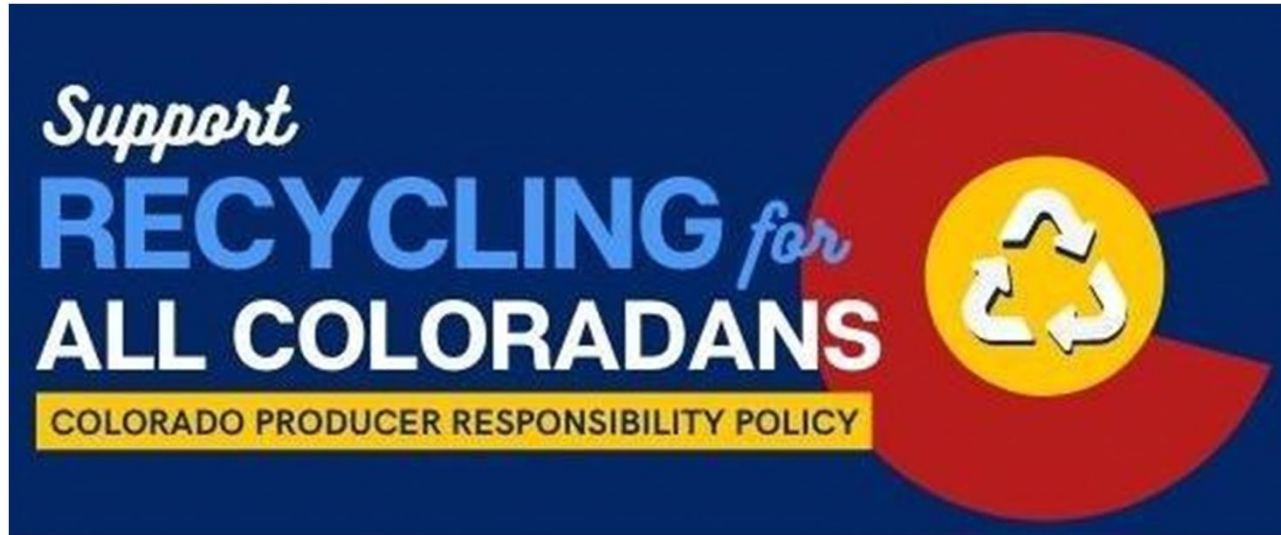
Oversight

- Appoint, manage advisory board
- Approve needs assessment and plan
- Approve annual report
- Report to legislature

Enforcement

- Compliance among producers
- No enforcement over other entities

Resources



www.recyclingforallcoloradans.org/