

HB 2592 is a Very Costly Plan to Restructure Oregon's Recycling System

Like HB 2065, HB 2592 would require packaging, printing and writing paper be recycled through new "producer responsibility organizations." These new organizations would be responsible for paying all of the costs for recycling these products, including collection, processing and marketing, funding new litter prevention and clean-up programs, upgrading recycling processing facilities and reimbursing local governments for all of their collection and transportation costs. DEQ's staff and its consultants estimate that these new activities will add at least \$100 million more per year to the cost of recycling in Oregon. We support the objective of increasing the recovery of all paper and packaging. However, this bill raises significant policy questions and implementation concerns.

Products Already Being Recycled Would be Moved Into this New System

Like HB 2065, the bill defines "Covered Products" to include:

1. All types of packaging used to "contain" or "protect" products, including boxes, bags, cans, bottles, take out containers, wrappings, etc.
2. All types of printing and writing papers, including newspapers, magazines, flyers, brochures, catalogs, phone books, copy paper and writing paper; and
3. Food service items like paper or plastic plates, including take out containers.

Most of these materials are already being efficiently collected and recycled in Oregon.

Every Oregon Retailer, Wholesaler and Manufacturer Will be Impacted

The "producers" who will be required to pay for the creation and operation of these new programs include anyone who makes, imports, distributes or sells a "covered product." Every store, restaurant, warehouse, office, publisher, manufacturer or delivery service will be impacted and required to help pay for these new programs. Ultimately, it will be consumers who will eventually bear much of the burden by paying these costs through higher prices.

Unique Requirements for Labeling and Extremely High Recycling Rate/Recycled Content Standards Will Limit Availability of Some Products

The bill would ban package recycling labels required by many other states, and it would mandate use of new label to be developed by EQC by rule. Producers who cannot or do not make products in Oregon specific packaging would not be able to sell that product in Oregon. The bill includes extremely high material specific recycling rates and recycled content rates that would be very difficult, expensive and in some cases impossible to achieve.

More Litigation Likely and Huge Penalties Possible

The bill would permit "any person" to sue "any person" for any violations, and allow DEQ to impose penalties of up to \$25,000/day.

For more information, contact Paul Cosgrove, 503-799-5679 or paul.cosgrove@tonkon.com



Below are Additional Organizations Opposed to HB 2592

