

# Project Summary

## Extended Producer Responsibility for Packaging and Paper Products in Minnesota

November 16, 2021

### About the Project

The Partnership on Waste and Energy (PWE) – consisting of Hennepin, Ramsey, and Washington Counties – has partnered with the Product Stewardship Institute (PSI) to develop and pass an effective extended producer responsibility (EPR) bill for packaging and paper products (PPP) that meets the interests of key stakeholders and will prevent waste, increase recycling,<sup>1</sup> and save municipalities millions of dollars.

### What is EPR?

**Extended Producer Responsibility (EPR)** is a law that extends a producer’s financial and managerial responsibility for its products and packaging beyond the manufacturing stage — both **upstream** to product design and **downstream** to **post-consumer** reuse, recycling, or safe disposal.

For PSI’s *Principles of Product Stewardship*, please visit <https://www.productstewardship.us/page/Definitions>

### Context

This project is occurring in tandem with the development of EPR for PPP legislation in states across the country. Since 2019, a dozen U.S. states have introduced EPR for PPP legislation, and the first two laws in the U.S. passed in Oregon and Maine in 2021. With municipal recycling costs rising and consumer pressure mounting for brands to take action, momentum for PPP EPR has steadily grown. Minnesota’s EPR for PPP bill will benefit from the experiences of states that have been working through PSI to develop similar legislation and will contribute to the nation-wide groundswell of activity in support of a more just and sustainable waste management system.

### Purpose of this Summary

The purpose of this document is to prepare a select group of up to 15 committee members to participate with PWE and PSI to develop an EPR for PPP bill in MN. The group is expected to meet several times over the course of four months – see “Project Activities & Timeline” below for details.

### The Problem

In the U.S., more than 40% of municipal solid waste (over 100 million tons per year) is comprised of packaging and paper products (PPP). Volatility in global recycling markets, increasing complexity of packaging materials, and economically disruptive forces like the COVID-19 pandemic have placed greater demands on under-resourced recycling systems, leaving communities struggling to keep up with

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<sup>1</sup> As defined in [MN 115A.03](#); see Subd. 25a, recyclable materials.

waste management costs and an ever-increasing volume of PPP materials. **Minnesota municipalities are forced to make tough choices about how to spend limited funds among competing priorities as the cost of recycling and other waste management programs continues to rise.**

Consumers know that PPP materials are pervasive in the environment, including in MN rivers, lakes, and streams. In 2019, volunteers organized by [Friends of Lake Hiawatha](#) collected 350 pounds of debris – mostly consumer packaging – from the circumference of the lake in a span of 2.5 hours. MN Sea Grant is currently funding the [University of Minnesota Duluth](#) to quantify and characterize microplastics in Lake Superior. These materials break down from larger plastics, including plastic packaging and single-use plastics that escape from collection systems into the environment and can cause significant ecological, economic, and human health damage. However, even the most conscientious consumers have limited sustainable purchasing choices and wind up with packaging and paper waste that is beyond their ability to reuse or recycle.

Faced with a disjointed patchwork of local recycling programs, consumers are also given confusing, inconsistent messages about which materials can be recycled or composted, so they inadvertently create contamination in recycling streams by putting the wrong items in the wrong bins. **Despite increasing public pressure, consumer brands have no incentive to reduce the amount of PPP materials they put on the market or to choose more sustainable materials.** Municipalities are left with the impossible task of managing increasingly complex materials that they have no input in designing or bringing to market, and Minnesota communities are left cover the costs.

Just 50% of U.S. residential PPP is recycled in the U.S. — and this rate has been stagnant for nearly twenty years. In Minnesota, counties are required to reach 35% recycling by 2030, and Metro counties are required to reach 75% recycling in this same timeframe. **MN counties face steep challenges in meeting state mandated recycling goals.** Communities of color, Indigenous people, and low-income communities bear a disproportionate share of the negative environmental, health, and economic consequences of upstream and downstream decisions related to waste. Furthermore, by failing to reuse or recycle a large portion of PPP materials, we lose economic value and reuse and recycling jobs.

## Project Goals

Minnesota communities deserve a waste management system that will:

- Reduce the environmental impacts and costs of PPP, including from litter.
- Incentivize sustainable PPP (e.g., recyclable, toxic-free, resource efficient).
- Treat all materials according to their highest and best use – reducing, reusing, recycling, composting, energy recovery, and landfilling.
- Provide sustainable funding for reuse and recycling, including infrastructure development and system expansions.
- Increase reuse and recycling and help counties meet their reduction and recycling targets.
- Provide comprehensive consumer education and awareness, including clear labeling.
- Incentivize sustainable sourcing of materials (e.g., recycled content).
- Create green jobs and business development opportunities in MN.

## Key Barriers

Some of the barriers to a robust and sustainably funded system to manage PPP for Minnesotans include:

- Lack of understanding and education about EPR.
- Potential opposition from established sectors of the economy interested in maintaining the status quo.
- Uncertainty in state political leadership with 2022 elections.
- Properly acknowledging and integrating existing investments and local interests of municipalities and waste management companies.
- Possible misperception that recycling reform should be handled only at the federal level.

## Solution and Benefits

PWE is seeking an extended producer responsibility (EPR) law that requires consumer packaged goods companies and paper product producers to finance – and perhaps manage – PPP recycling programs in MN. The benefits of a well-designed EPR for PPP policy for MN are:

- Jobs created in the reuse and recycling industry.
- Valuable resources recovered and recycled.
- Reduced greenhouse gas emissions from the manufacture of new packaging.
- Producers incentivized to choose more reusable and recyclable packaging types to reduce program costs and reduce waste.

EPR systems transform waste management by providing sustainable funding for recycling, investments in technological innovations to enable more reuse, recovery, and recycling, and financial incentives for producers to choose sustainable packaging. These policies have been operating for over 35 years around the world, achieving recycling rates between 60% and 80%. They also save local governments and taxpayers millions of dollars by shifting the costs of recycling from the public sector to consumer brands.

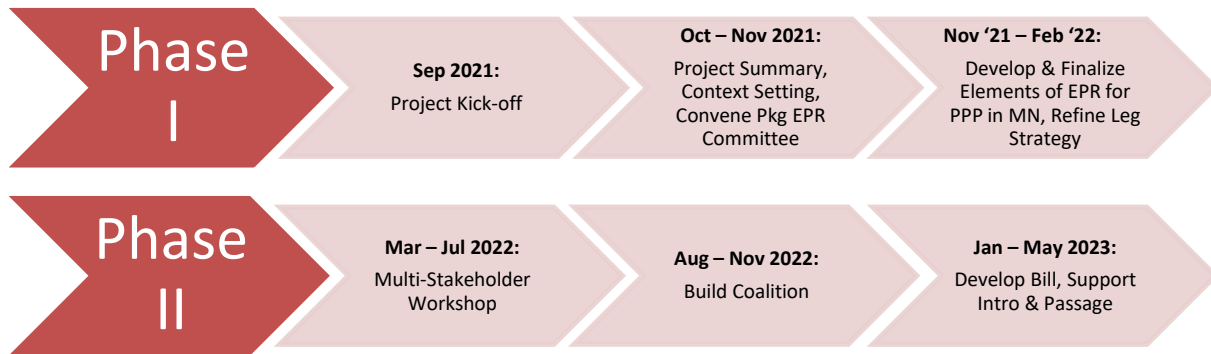
## Project Activities & Timeline

This project consists of two phases. In Phase I, PWE and PSI launch the project together, recruit key stakeholders to the Packaging EPR Committee, and develop core elements of an EPR for PPP policy for MN. In Phase II, the project team hosts a multi-stakeholder workshop to solicit feedback on the draft policy, builds a coalition of support for the policy, and develops a bill to be introduced in 2023. The overall project timeline and activities are shown below.

### Participant Expectations

PWE and PSI will convene a Packaging EPR Committee of up to 15 stakeholders to develop MN's EPR for PPP policy. Committee members will be recruited in November 2021. The Committee will meet virtually 6 to 8 times between November 2021 and February 2022. Committee calls will be facilitated by PSI and will be two hours per call. PSI will provide materials needed for Committee calls.

Additionally, PSI will conduct individual calls with 7 to 10 key stakeholders to provide project updates and solicit feedback on bill development. PSI will select stakeholders, with approval from the PWE Core Group, from among its existing network of national producers, waste management companies, and environmental groups.



### About the Partnership on Waste and Energy (PWE)

The Partnership on Waste and Energy (PWE) is a joint powers Board formed by Hennepin County and Ramsey/Washington Recycling & Energy. Through the PWE, Hennepin, Ramsey, and Washington counties collaborate on legislation and policy development, communication and outreach, planning, and evaluation of technologies. PWE seeks to end waste, promote renewable energy, and enhance the health and resiliency of communities while advancing equity and responding to the challenges of a changing climate.

### About the Product Stewardship Institute (PSI)

The Product Stewardship Institute (PSI) is a national nonprofit working to reduce the health and environmental impacts of consumer products across their life cycle with a strong focus on sustainable end-of-life management. Taking a unique approach to solving environmental and waste management problems, the organization brings key stakeholders together in well-designed dialogues to forge lasting agreements rooted in producer responsibility and sustainable materials management. Over the past 20 years, PSI has designed, implemented, evaluated, strengthened, and promoted both voluntary and legislative product stewardship throughout the U.S. PSI works closely with 47 state environmental agency members, hundreds of local government members, and over 120 partners from businesses, universities, organizations, and international governments.

#### Project Contacts

If you are interested in shaping the future of recycling in MN, please join us! For more information, contact:

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#### For more information

- The Partnership on Waste and Energy: <https://recyclingandenergy.org/partnership-about-us/>
- PSI: <https://www.productstewardship.us/page/Packaging>