



## New Recycling Law Will Reimburse Towns for the Cost of Recycling

In July 2021, Maine became the first state in the nation to pass a law called Extended Producer Responsibility (EPR) for Packaging that will reduce the cost burden for Maine's municipalities and help them manage recycling programs more effectively.

When fully implemented, this proven solution is projected to double our recycling rate and save Maine taxpayers \$16-17 million annually, by shifting the responsibility onto big, multinational corporations that are responsible for introducing packaging waste into Maine's municipal recycling programs in the first place. These corporations are already paying for local recycling programs in Canada, Europe, and dozens of other countries where EPR for Packaging has been implemented.

### Frequently Asked Questions about How EPR for Packaging Will Save Towns Money

#### **How will the new program provide support to my town?**

Right now, recycling in Maine is funded by local property taxpayers, but with EPR for Packaging the funding will come from producers of packaging, brands like Amazon, Walmart, and Procter & Gamble. There will be a newly formed stewardship organization that is responsible for coordinating recycling improvements across the state and delivering payments to cities and towns with fees collected from the big corporations paying into the program. In the dozens of other countries that have successfully implemented EPR for Packaging, a stewardship organization also provides a wide range of services such as data tracking and design guidelines to help make recycling the best it can be.

#### **How does my town get reimbursed for recycling costs?**

To participate, a municipality (defined as a city, town, county, township, village, plantation, refuse disposal district, or a regional association) must accept for recycling all materials that are designated as readily recyclable and must comply with certain data reporting requirements, as determined by forthcoming administrative rulemaking, such as annual reporting of recycling and cost data.

#### **How will towns be able to use the reimbursement funds?**

Since towns have already budgeted for and expended the funds, they will be able to use the money they are reimbursed however they wish. Some towns may choose to make improvements to their recycling programs or start a composting program.

*“The cost of recycling has skyrocketed... EPR for Packaging is a step in the right direction by asking producers to be part of the solution.”*

*—The Maine Municipal Association*

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### **How will the new law impact the price of consumer goods?**

Experts who deliver these programs in other regions across the world report that there is no evidence these very minimal costs are passed onto consumers through price increases. Since the cost to companies required to participate typically works out to be fractions of a penny per container, EPR programs do not directly cause increased prices for consumers.

The price of consumer goods is impacted by a wide variety of factors such as geography, shifting economic markets, and consumer behavior and sensitivity. We also know from Maine's other product stewardship laws, like the Maine Bottle Bill, that producer responsibility programs don't raise prices. The cost of soda in Maine is the same as it is in places that don't benefit from a bottle deposit law.

One of the primary reasons Nova Scotia's provincial municipal association has lobbied their legislature to adopt EPR for Packaging is because the costs of consumer goods are the same in their province as they are in neighboring Quebec, where an EPR for Packaging law was implemented in 2004.

### **How will the law impact Maine's local businesses?**

The law was specifically crafted to exempt the majority of Maine's small businesses that provide the economic backbone to our cities and towns. It is designed to target large, multinational corporations that are responsible for our waste problems and that already pay for local recycling programs in other places around the world. For more details, see NRCM's EPR Fact Sheet for Businesses.

### **When will towns be able to receive reimbursement checks for recycling?**

The Maine Department of Environmental Protection (DEP) must first undergo a lengthy administrative rulemaking process to determine the details of the program, including how to calculate reimbursement payments and how to set the producer fee schedule to reach the goals of the EPR program. The DEP anticipates that municipalities will receive the first checks by 2027.

### **Can my town participate in development of the EPR program?**

Yes! Municipalities will be an important voice and will have several ways to provide input into the program. They can participate in rulemaking; work with the packaging stewardship organization on program development; provide input on proposals for investment in infrastructure and education; and participate in the on-going annual program updates such as reimbursement calculations.

To be kept informed of the DEP rulemaking process, simply email [MainePackagingEPR@maine.gov](mailto:MainePackagingEPR@maine.gov) to be added to the distribution list.

### **What can towns do while we wait for the program to be fully implemented?**

NRCM is encouraging all Maine towns to continue recycling, knowing that help is on the way. It's important to keep this service available for Maine households, who want to recycle and do the right thing. The Maine DEP is still providing Solid Waste Diversion Grants to help fund recycling projects in Maine, and NRCM staff is available to help you reach our waste reduction and recycling goals, too.

**For more information about this exciting new law, please visit [www.recyclingreform.org](http://www.recyclingreform.org).**



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