**Assessment of Extended Producer Responsibility Legislation, Plans and Programs**

**Minnesota Product Stewardship Council Definition of Extended Producer Responsibility**

*Extended Producer Responsibility (EPR) is an essential element of Product Stewardship in which producers design and implement environmentally protective systems to recover and manage the components of their products and packaging, consistent with the Minnesota Waste Management Hierarchy.*

**Product:** summary of S.F. 2300/ H.F. 2267, entitled “Carpet product stewardship program provided, and report required”

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| **MnPSC Priorities for EPR** | **Meets Priority** | **Does Not Meet Priority** | **Background** |
| **Environmental Protection** | | | |
| *Product recovery systems adhere to MN Waste Management Hierarchy* | Yes, the proposed policy adheres to the MN Waste Management Hierarchy by requiring recycling and reuse. |  | Section 1 subd 2 “…producers must… implement and finance a statewide product stewardship program that manages carpet by reducing carpet’s waste generation, promoting its reuse and recycling, and providing for negotiation and execution of agreements to collect, transport, and process carpet for end-of-life recycling and reuse.”  Section 1 subd 4.1 “certification that the product stewardship program will accept all discarded carpet regardless of which producer produced the carpet and its individual components” and Section 1 subd 4. “a description of the method that will be used to reuse, deconstruct, or recycle the discarded carpet to ensure that the product’s components, to the extent feasible, are transformed or remanufactured into finished products for use” |
| **Financial** | | | |
| *All product costs - including recovery systems - are incorporated into purchase price of product* |  | Establishes a stewardship assessment to be placed on all new carpet at time of purchase which is set by the product stewardship organization(s) and audited to ensure that this assessment does not exceed the cost of collection and recycling. |  |
| *Producer of product responsible for recovery system program costs* |  | There is no responsibility on the producer of the product to cover the program costs. Program costs are covered by the stewardship assessment. |  |
| **Measurable** | | | |
| *Effective, measurable goals set by government to achieve Priorities #1 and #2.* |  | There are no waste reduction goals set in this proposed legislation, but all carpet is required to be recycled or reuse “to the extent feasible”. | California’s Product Stewardship for Carpet legislation sets a 24-percent recycling rate by January 1, 2020 and allows the department to set future goals that are quantifiable (both five-year goals and annual goals). |
| *Dates to reach goals and implement program* |  | Collection is to be first established in the seven-county metro area, and to follow in the entire state by July 1, 2022. | No convenience for consumers is listed. It is expected that outside the seven-county metro area collection may be a challenge without convenient collection sites, and local government collection sites could be “expected” to step up without a guarantee their full costs are reimbursed by the product stewardship program.  New York state’s proposed language establishes a recycling and reuse percentage rate that increases from twenty five percent to ninety five percent by 2029. |
| **Accountable** | | | |
| *Assignment of full responsibility for recovery system to producers* | Full responsibility for recovery system is placed on the producers (while cost is placed on the consumers). |  | Education requirement could be strengthened, for example California’s Product Stewardship for Carpet legislation requires “education and outreach efforts to consumers, commercial building owners, carpet installation contractors, and retailers to promote their participation in achieving the purposes of carpet stewardship....”  New York state’s proposed language states, “The manufacturer, at the manufacturer’s cost, shall make arrangements with its wholesalers, retailers, and any flooring and floor covering contractors for the removal, acceptance, transport, recycling, and reuse of discarded carpet accepted pursuant to the provisions of this title and shall provide for a location for such wholesaler, retailer, and flooring and floor covering contractor to send removed discarded carpet. Such arrangements may include, but are not limited to, contracts or other agreements with third parties such as recycling facilities. In order to facilitate with carpet recycling, the removal and acceptance process shall require source separation and ensure the carpet is not in a condition allowing its recycling or reuse. |
| *Enforcement – for noncompliance* |  | There is no enforcement language, the agency must list all producers and brands that are identified as noncompliant, but there is no language to intervene if a carpet producer does not participate in a product stewardship plan. | The stewardship assessment will be applied to all products, and so regardless if a producer steps up to cooperate with the collection scheme the costs should be covered. This is a similar model to how PaintCare is written and managed.  Language from the Minnesota Electronics Recycling Act for enforcement reads, “(c) The department must enforce section 115A.1314, subdivision 1. The audit, assessment, appeal, collection, enforcement, disclosure, and other administrative provisions of chapters 270B, 270C, and 289A that apply to the taxes imposed under chapter 297A apply to the fee imposed under section 115A.1314, subdivision 1. To enforce section 115A.1314, subdivision 1, the commissioner of revenue may grant extensions to pay, and impose and abate penalties and interest on, the fee due under section 115A.1314, subdivision 1, in the manner provided in chapters 270C and 289A as if the fee were a tax imposed under chapter 297A.” |
| *Individual producers identified* | Producers are clearly defined in Section 1 Subd 4.4 |  |  |
| *Independent third party audit of financial & environmental performance* | Yes, there is a third-party audit of financial information, and a required stakeholder process for developing a new stewardship plan (completed every three years). |  | There is a third-party audit required for financial auditing of the stewardship assessment. Product Stewardship plans must be reviewed every three years using a consultation process outlined in Section 1 subd 6 which requires the stewardship organization (or individual producer) submitting a stewardship plan to consult with stakeholders (retailers, installers, collectors, recyclers, local government, consumers, and citizens). The proposed legislation also includes a comment period to be submitted to the agency which allows for comments by local governments, communities, and citizens to report satisfaction with services from the product stewardship organization. |
| *All wastes in product category included* | Yes, this policy is for carpet only, which is the only product in this category. |  |  |