



Product stewardship initiatives 2013

Paint, carpet and batteries

Overview

Product stewardship means that product producers take responsibility for the waste ultimately produced from consumer use of their products. Through product stewardship, manufacturers assume costs for managing their products at end of life. This both relieves government of the responsibility for disposing of problematic wastes and provides an incentive for manufacturers to create more sustainable products.

The MPCA is proposing product stewardship programs for three materials – paint, carpet, and primary batteries (those designed to be used once and discarded). These three products are among those the MPCA has identified as “problem materials” that create difficulties for the solid waste system and require improved end-of-life management. Difficulties include toxicity, problems with disposal due to bulk, and salvageable resources.

Carpet and batteries currently have very limited disposal or recycling programs available to consumers. Paint is managed through county hazardous waste programs. Minnesota’s counties spend approximately \$5 million annually managing leftover paint. The MPCA’s product stewardship bill would increase collection by creating additional opportunities for collection and recycling and educating the public about recycling options. It would also provide financial relief to the counties, which are mandated to provide numerous waste-related programs.

Increased reuse and recycling provides environmental benefits by removing these items from the waste stream and economic benefits by providing materials to Minnesota businesses, such as Bro-tex in St. Paul (carpet recycling) and Amazon in Fridley (paint). Minnesota has already enacted product stewardship laws for certain electronics waste and rechargeable batteries. With the implementation of the e-waste law in 2007, the number of collection opportunities increased dramatically as well as the overall weight of e-waste collected from households.

Oregon, California, Connecticut and Rhode Island (plus six Canadian provinces) have enacted laws for paint stewardship; several more states are considering doing so in 2013. California enacted a carpet stewardship program in 2010, and is currently considering legislation to create a program for primary batteries. Other states are also considering legislation.

New legislation

The MPCA’s product stewardship legislation does not set prescriptive language in statute, but rather puts in place a private/public partnership. The initiative requires each industry to design its own product stewardship program by developing a stewardship plan. This emphasis on flexibility allows the program to adjust to changing market conditions and accommodate new products and collection options.

In the competitive business environment faced by product manufacturers and retailers, legislation is needed to ensure universal participation in the industry designed and managed programs.

The initiative allows for individual manufacturers to develop their own stewardship plans, or for manufacturers to cooperatively set up a stewardship organization (typically a non-profit) to develop and

manage the product stewardship program. The legislation provides antitrust protection to enable manufacturers to cooperate – another necessity for the programs.

This type of public/private partnership will reduce the MPCA's role in program management but strengthen our role in providing oversight, conducting research and evaluation, and taking compliance and enforcement actions, if necessary. MPCA oversight will provide transparency and accountability, ensuring that the program's performance goals are met. The MPCA will provide a program evaluation report to the Legislature every four years with recommendations for necessary changes, if any, to the individual product programs.

Manufacturers' responsibilities and goals

Manufacturers, either individually or through the stewardship organization, will develop and submit a stewardship plan to the MPCA for review and approval. The plan must include the following key program elements:

- A description of the methods by which the product will be collected across the state without relying on end-of-life fees, including an explanation of how the collection system will be convenient and adequate to serve the needs of small businesses and residents in both urban and rural areas on an ongoing basis;
- Five-year performance goals, including an estimate of the percentage of product that will be collected, reused, and recycled during each year of the first five years of the stewardship plan. The performance goals must be based on:
 - Most recent collection data available for the state;
 - Estimated amount of unwanted product disposed of annually;
 - Weight of the unwanted product that is expected to be available for collection annually;
 - Actual collection data from other existing stewardship programs.

Funding

The legislation authorizes the use of a stewardship assessment to finance the paint and carpet manufacturer's responsibilities under the bill. No financing mechanism is specified for primary batteries. The amount of the assessment will be determined by the manufacturers during development of the stewardship plan and will need to be approved by the MPCA. It is not required that the assessment be visible to consumers (e.g. on the receipt) but the manufacturers must provide information on the program that retailers can use to communicate with consumers.

Local Government participation

Local governments will continue to serve as a critical feature of the collection infrastructure, particularly in Greater Minnesota. However, there is no requirement that local governments continue to offer or develop new collection opportunities. In developing the product stewardship plans, manufacturers are required to seek and consider input about local government needs. Local governments will continue to play an important role in education and outreach to ensure citizens are aware of available collection opportunities