#### MINNESOTA POLLUTION CONTROL AGENCY

#### www.pca.state.mn.us



# Packaging waste and cost reduction act

The Packaging Waste and Cost Reduction Act creates an **extended producer responsibility (EPR)** program for packaging and paper products statewide. EPR policies incentivize more sustainable design and hold producers responsible for reducing the environmental impacts of the items they produce and managing them throughout the entire life cycle. Since 2019, over a dozen states have introduced legislation. The first four laws in the U.S. passed in Maine and Oregon in 2021 and in Colorado and California in 2022. In 2024, **Minnesota became the fifth state to pass EPR for packaging.** 

## How will this benefit all Minnesotans?

- ✓ Less packaging, safer packaging. Program fees will incentivize producers to reduce avoid toxic ingredients and reduce how much packaging they use through changes in design.
- ✓ More packaging that is refillable, reusable, recyclable, and compostable. All packaging and paper products must be refillable, reusable, recyclable, or compostable by 2032.
- ✓ More curbside collection and places to recycle. Curbside services for recyclables and compostables will be expanded where they're currently limited or unavailable, and there will be more options, such as drop-off locations, for packaging that doesn't work well in curbside programs.
- Reduced costs. Producers cover most of the costs associated with the refill, reuse, recycling, or composting of packaging and paper products, reducing what residents, local government, and others must pay.
- Expanded infrastructure and jobs. Producers will invest in infrastructure, resulting in more green jobs and business development related to collecting and managing packaging and paper products.
- Investment in education and clear standards. The program includes public education to help people know what packaging is refillable, reusable, recyclable, or compostable and collection lists so Minnesotans can recycle and compost the same items throughout the state.

#### What materials are covered?

Program requirements apply to **packaging and packaging components**, **food packaging**, and **paper products** sold, offered for sale, distributed, or used to ship a product within or into Minnesota, including online purchases and shipments.

**Exempt materials** include a few specific items, such as packaging for infant formula, drugs, or medical devices, packaging for certain hazardous products, and news/magazine publications of a certain circulation limit.

## How does the program work?

Producers – generally the product brand owner – will become members of a **Producer Responsibility Organization (PRO)**, a 501(c)(3) non-profit organization. Producers pay annual fees to cover no less than 90% of the costs to collect, transfer, sort, transport, or otherwise prepare packaging and paper products for refill, reuse, recycling, or composting. The PRO follows a **stewardship plan** guiding how they will expand collection services and reimburse service and program costs, including education, infrastructure investments, and market development. Collectively, through the PRO, producers must meet program requirements outlined in the law and stewardship plan, including **targets for waste reduction, reuse, recycling, composting, and use of recycled content in their products**.

## Who oversees the program?

The program develops shared responsibility where the **Minnesota Pollution Control Agency** (MPCA) and the **PRO** have different duties to ensure the program is run efficiently and advances the goals of the law. An **Advisory Board** establishes a panel of experts and community representatives to provide program feedback and guidance, including review of stewardship plans and progress reports.

The Minnesota Pollution Control Agency (MPCA) is responsible for:

- Needs assessments gathering the initial data for program development (repeated every five years).
- **Program requirements** setting requirements for the PRO to reduce material use, establish refill and reuse systems, expand recycling and composting, and use more recycled content in their products.
- **Collection lists** determining what materials must be collected and responsibly managed through "commingled" recycling, composting, and alternative collection systems like drop-off sites.
- **Approval of stewardship plans and reports** reviewing and approving the PRO's stewardship plans and required progress reports, after consultation with the advisory board and receiving public input.
- **Compliance and enforcement** ensuring producers and the PRO meet program requirements and goals.

The **Producer Responsibility Organization** also known as PRO will be responsible for:

- **Stewardship plan and reports** coordinate producers to develop plans, implementing the program, providing technical assistance to producers and report on progress.
- **Cover service and program costs** -- reimburse those who provide services for no less than 90% of their service and program costs, reducing what residents, local government, and others must pay.

### What is the general timeline?

#### Phase 1: Building the foundation

2025 -	2026	<ul> <li>Producers form the Producer responsibility Organization (PRO)</li> <li>Advisory Board is appointed and begins meeting</li> <li>Service providers register with the MPCA to qualify for reimbursement of costs</li> <li>MPCA completes needs assessments to gather critical data to inform program and plan development, receiving Advisory Board and public input</li> </ul>
Phase 2: Establishing the structure		
2027 -	2028	<ul> <li>MPCA creates collection lists that apply statewide, receiving Advisory Board and public input</li> <li>MPCA creates statewide program requirements for the PRO, receiving Advisory Board and public input</li> <li>PRO submits first stewardship plan due to the MPCA; MPCA receives Advisory Board and public input</li> </ul>
Phase 3: Implementing change and tracking progress		
- 6	32	<ul> <li>PRO Implements stewardship plan as approved by MPCA</li> <li>PRO beings covering service and program costs, phased in to cover at least 90% by 2031</li> </ul>

- PRO submits annual reports to MPCA
  - Packaging and paper products must be refillable, reusable, recyclable, or compostable by 2032

202