

IS NEW MEXICO READY FOR PRODUCT STEWARDSHIP

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Product Stewardship: What's the Issue?



Product Stewardship:

- Is a new way of thinking about the roles and responsibilities in managing solid waste and the products & packaging that comprise it
- Is a policy approach that ensures that all involved in the lifecycle of a product share responsibility for reducing its health and environmental impacts, with PRODUCERS bearing primary financial responsibility
- Includes some programs created by legislation, other programs voluntarily set up by manufacturers and retailers to collect and recycle or safely dispose of their products
- Seeks to ensure that those who design, manufacture, sell, and use consumer products take responsibility for reducing negative impacts to the economy, environment, public health, and worker safety.



Product Stewardship & EPR

Product stewardship is the act of minimizing the health, safety, environmental, and social impacts of a product and its packaging throughout all lifecycle stages while also maximizing economic benefits. The manufacturer, or producer, of the product has the greatest ability to minimize adverse impacts, but other stakeholders, such as suppliers, retailers, and consumers, also play a role. Stewardship can be either voluntary or required by law.

Extended Producer Responsibility (EPR) is a **mandatory** type of product stewardship that includes, at a minimum, the requirement that the producer's responsibility for their product extends to post-consumer management of that product and its packaging. There are two related features of EPR policy: (1) shifting financial and management responsibility, with government oversight, upstream to the producer and away from the public sector; and (2) providing incentives to producers to incorporate environmental considerations into the design of their products and packaging. *(Endorsed by Product Stewardship Institute, Product Policy Institute and California Product Stewardship Council)*



Linear vs. Circular System

TODAY'S LINEAR WASTE MANAGEMENT SYSTEM:



TOMORROW'S PRODUCT STEWARDSHIP SYSTEM:



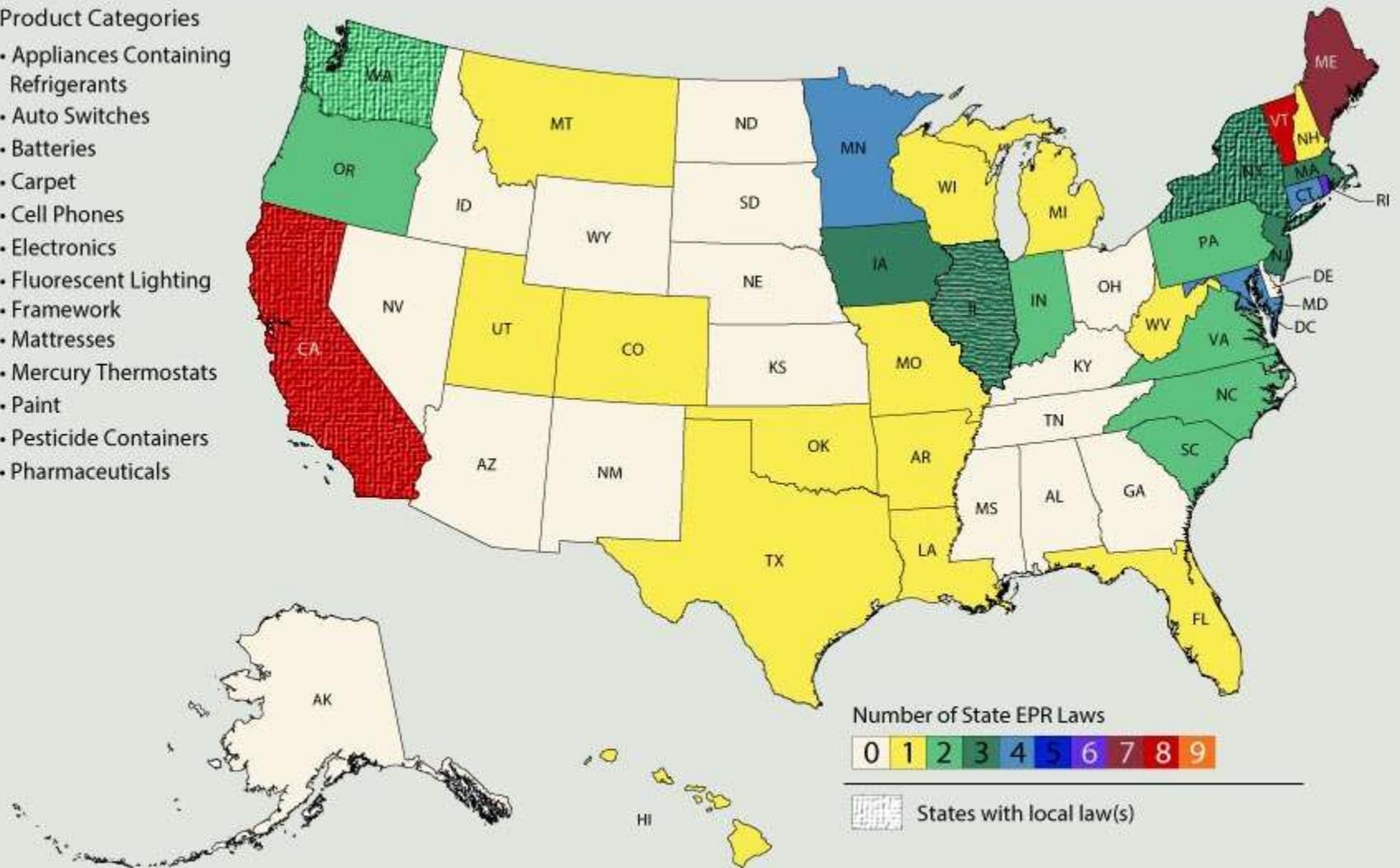
Financial Benefits of Product Stewardship/EPR



- Financial benefits take two forms:
 - Direct cost savings
 - Product manufacturers take on costs local programs are now paying to collect, recycle, dispose, etc of used products
 - No-cost expanded service
 - Convenient product recycling or appropriate disposal without additional costs

Product Categories

- Appliances Containing Refrigerants
- Auto Switches
- Batteries
- Carpet
- Cell Phones
- Electronics
- Fluorescent Lighting
- Framework
- Mattresses
- Mercury Thermostats
- Paint
- Pesticide Containers
- Pharmaceuticals



Source: Product Stewardship Institute, Inc. (2017)

Case Study - Mattresses



Why Mattresses?



- A common waste to be found dumped illegally;
- Not all used mattresses are being replaced with new ones so aren't necessarily picked up or accepted by shops;
- More than 50,000 mattresses are discarded each day in the U.S
- Can create hazardous conditions at landfills:
 - Unstable slope at landfills - can create unsteady surface for machinery to drive over and can cause rollovers;
 - Can tangle in equipment – mattress springs can wrap around machinery drive shafts causing significant damage to vehicles.
- Only 5% of mattresses sold in the US are recycled
- About 80-90% of the material can be recycled and added to the recycling market; 9 pounds of cotton and 25 pounds of steel (38% cotton, 30% metal, 10% foam, 4% wool shoddy);
- Can also be stripped of cotton & foam and refurbished to be reused

Why Mattresses?



- Foam and Cotton baled, sold, remade as insulation or carpet padding;
- Steel from springs sold to steel recyclers;
- Wood sold to wood chippers and used as fuel source;
- Small businesses and particularly non-profits have been successful at profiting from providing mattress recycling.
- Currently 3 states with EPR laws for mattresses (passed in 2013): CA, CT, RI;
- Industry supported - International Sleep Products Association (ISPA) active in drafting legislation and operating the new EPR programs;

California



In September 2013, California enacted the Used Mattress Recovery and Recycling Act (SB254), which requires mattress producers to create a statewide recycling program to collect and recycle mattresses and foundations discarded in the state. To implement the Act, CalRecycle has proposed the Used Mattress Recovery and Recycling Program Regulations.

The Program is funded by a **visible** \$11 recycling charge collected from consumers at point-of-sale when a mattress or box spring is purchased for use in the state. Retailers then remit these funds to the Mattress Recycling Council

HOW does it work?



The Program is administered by the [Mattress Recycling Council](#) - INDUSTRY Supported Nonprofit

The Mattress Recycling Council (MRC) is a non-profit organization formed by the industry (International Sleep Products Association) to operate the Bye Bye Mattress recycling programs in states that have enacted mattress recycling laws - California, Connecticut & Rhode Island.

<http://mattressrecyclingcouncil.org/>

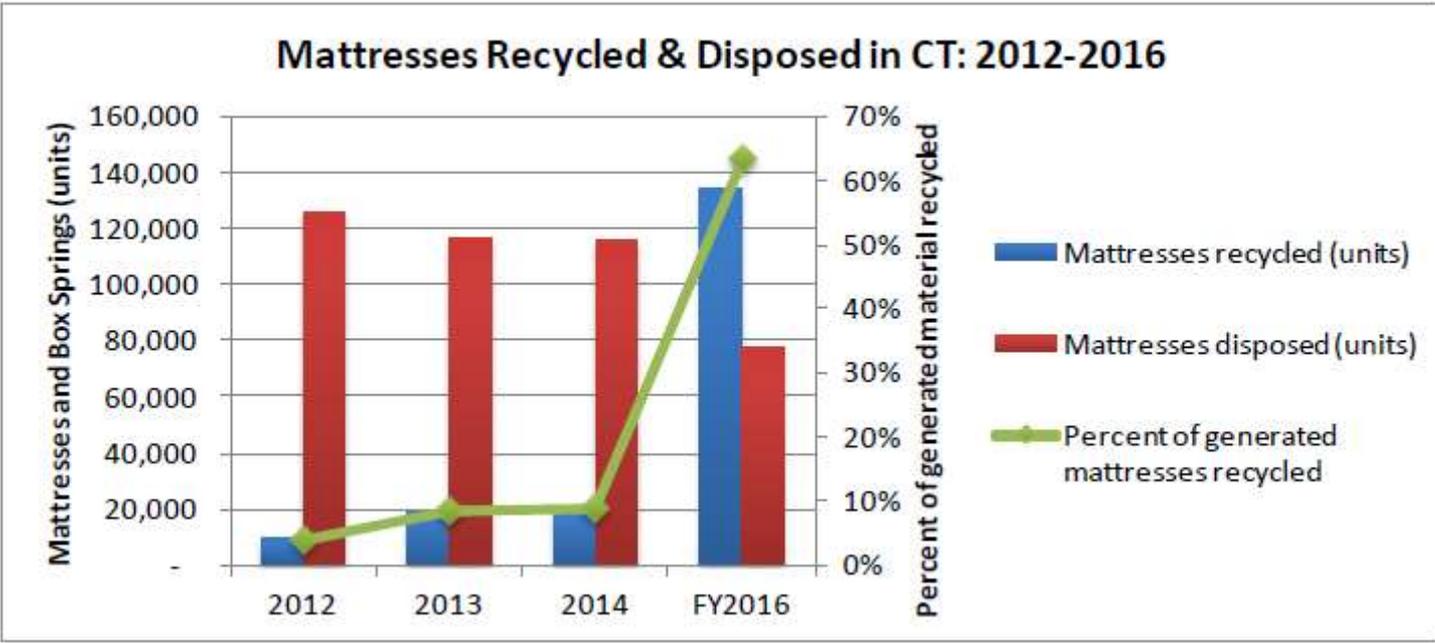
MRC serves as the responsible party for meeting the industry's obligations in this regard.

HOW does it work?



- SB 254 authorizes a payment to solid waste facilities to collect on behalf of the program
- Mattress Recycling Council (MRC) is the responsible party for meeting the industry's obligations
- Retailers charge the fee on each mattress unit sold in the state. These fees are remitted to MRC
- Consumers will continue to dispose of mattresses through traditional methods:
 - Retailer take-back with new purchase
 - Transfer station drop-off
 - Curbside pick-up
- Large volume users provided with storage containers for efficient packaging
- Retailers and solid waste facilities consolidate units
- Transporters and recyclers manage logistics and deconstruction
- Public Relations (PR) agency contracted for communications/education
- MRC uses the fee revenues to pay service providers (transporters, recyclers and PR & Illegal Dumping Grant Fund)

How Is It Working So Far?



- Mattress recycling rate for FY2016 saved 4.2 million kg of carbon equivalent of GHG emissions – annual emissions of 875 passenger vehicles
- Municipalities saved nearly \$1.5 million in mattress disposal costs



Case Study – Paint

Why Paint?

- Every year, Americans generate over 64 million gallons of leftover household paint.
- Although paint is highly recoverable, reusable, and recyclable, most leftover latex paint ends up in landfills.
- Oil-based paint, considered hazardous waste, is the **most expensive product** for household hazardous waste (HHW) programs to manage, costing local governments across the country up to 50 percent of their total HHW budgets.



Case Study - Paint



paint



Paint Care states include – CA, CO (2015), CT, DC, ME, MN, OR (2010), RI, VT

PaintCare Inc. is a non-profit 501(c)(3) organization established to represent paint manufacturers (paint producers) to plan and operate paint stewardship programs in the United States in those states that pass paint stewardship laws.

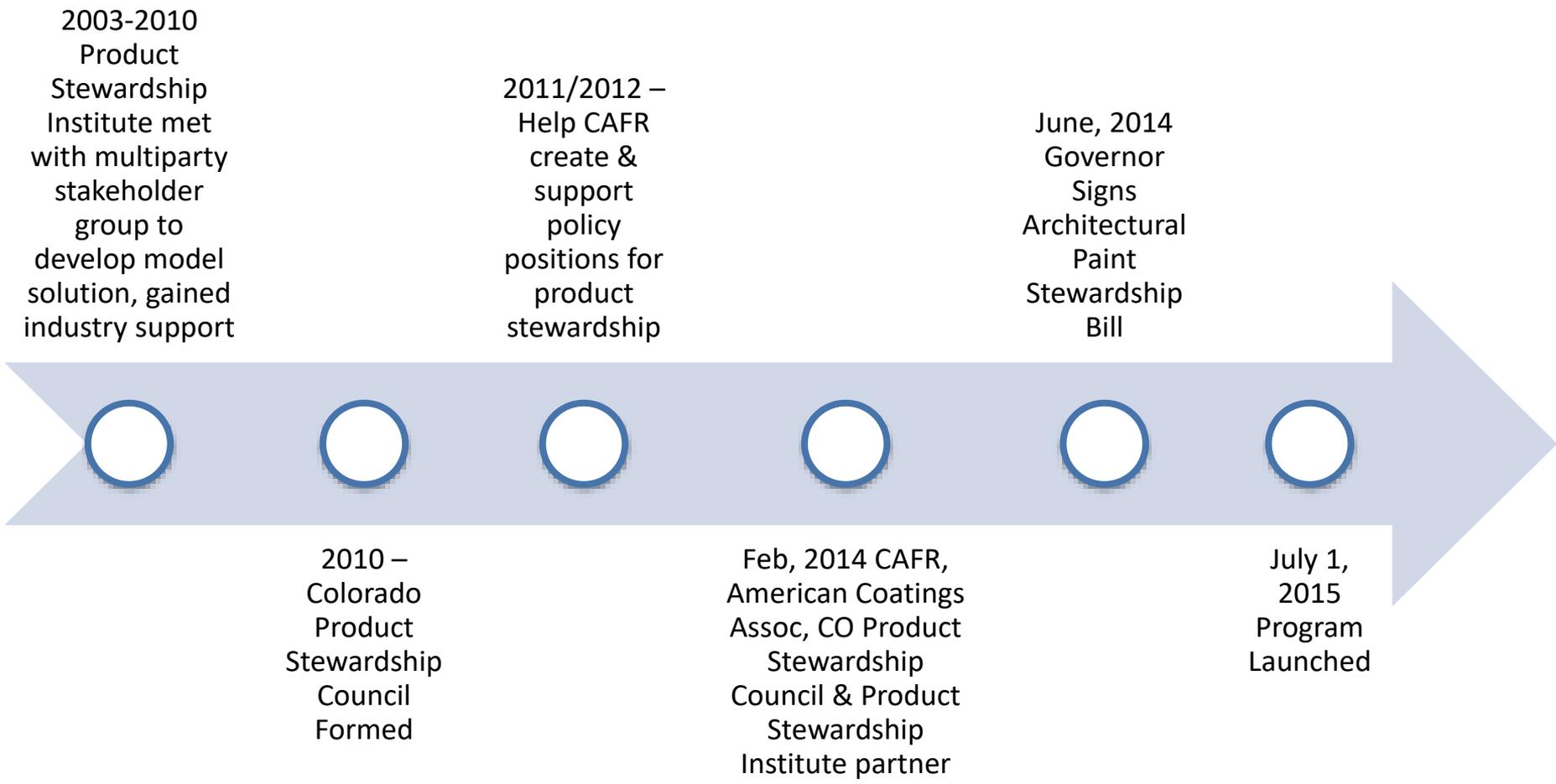
PaintCare was created by the American Coatings Association, a membership-based trade association of the paint manufacturing industry. Working with state and local government stakeholders, ACA passed the first paint stewardship law in the United States in Oregon in 2009.

The program is funded through fees on each container of architectural paint sold in states with paint stewardship programs. Budgets and fees are set on a state-by-state basis and range from .35 cents to \$1.99

<https://www.paintcare.org/>

Case Study – Paint

Colorado – Steps Towards Statewide Paint EPR



How Is it Working So Far?

Colorado's 2016 Report Noted:

- 155 year-round paint drop off sites established
- Collected 645,232 gallons of paint - half of the paint left over from new paint purchases
- Latex paint 75% of total paint collected, oil based paint 25% of paint collected
- 236 tons of metal and plastic containers recycled
- Program collected \$6,778,509 in fees
- Expenses, including paint transportation and processing, outreach and education, staffing, and administrative costs were \$5,423,303 = \$8.07/gallon



How Can NM Participate in EPR/Product Stewardship?

Maximize Use of existing national PS programs

- Fluorescent Lamps – CFLs collected from households at Home Depot stores and many Lowe's stores
- Mercury Thermostats – Thermostat Recycling Corporation provides mail-back service, one time for as low as \$10 for a reusable collection box and pre-paid mailing label. www.thermostat-recycle.org
- Mercury Auto Switches - End of Life Vehicles Solutions Corporation (ELVS) is a not-for-profit corporation created by the automotive industry to promote proper disposal. In cooperation with the State of New Mexico Environmental Department's Hazardous Waste Bureau, ELVS provides vehicle recyclers with collection buckets and pays the costs of transportation, retorting/recycling or disposal of elemental mercury from the automotive switches. <http://elvsolutions.org>



How Can NM Participate in EPR/Product Stewardship?

Maximize Use of existing national PS programs - continued

- Electronics – Dell, HP, Sony, Apple and LG provide information on their websites for free or low-cost recycling of their products by the consumer via general carrier
- Rechargeable Batteries Recycling Coalition – Call2Recycle provides mail-back program for any business, resident or institution, free collection and postage, recently expanded to accept all batteries www.call2recycle.org
- Pharmaceuticals – no national program but coordinate with your local police department to host a take-back event
- Motor Oil – no national program but many auto parts and maintenance shops collect used oil from residents, also used as heating fuel for RAID funded projects
- Other Programs – Armstrong Ceiling Tiles nationwide program, InterfaceFlor takes all of its own carpet products at no additional cost, Preserve Program accepts #5 plastics, Patagonia's Common Threads Program accepts polartech fleece by mail and in stores



New Mexico EPR/Product Stewardship Status

2013 Legislature Passed “Study Product Stewardship” HM 56: Rep. Jeff Steinborn

- NMED Convened a Task Force to Study Product Stewardship and Its Effects on NM
- Reported in November of 2013 to Legislative Committee
- The report recommended the following:
 - Prioritized products that have industry support and would have immediate impact in NM
 - Mattresses, electronics and paint
 - Recommended examining a mattress EPR program pilot
 - **Forming a Product Stewardship Advisory Group to facilitate product stewardship research, product materials management data, stakeholder input, and program development**

New Mexico EPR/Product Stewardship Status

2014 Legislature Passed “Study Solid Waste Recycling”

HM 51: Rep. Jeff Steinborn

- Tasked NMRC, in partnership with NMED: SWB, to research and develop strategies to reach the statewide diversion goal of 50% as set in the NM Solid Waste Act of 1990. NM’s diversion rate is currently 23%
- NMRC led research and stakeholder input process, 3 large stakeholder meetings, breakout groups, surveys, etc



New Mexico EPR/Product Stewardship Status

2014 Legislature Passed “Study Solid Waste Recycling”

HM 51: Rep. Jeff Steinborn

Recommended as part of its mid-range Implementation (3-5 years)

- Extended Producer Responsibility (EPR) for electronics/TVs, mattresses and paints, which requires producers to create a mechanism and funding to take back their product for proper recycling.
- Consider other items over time utilizing a legislative “framework” format
- Additional items to include Mercury-Containing Devices (including CFLs) and Carpet

HM 51 Summary of Potential Legislation – 5 year strategic plan proposal

Policy	Year	Importance of Timing	Considerations
Recycling Fee/Just A Penny	2017	Critical first/early piece of legislation to support the funding of all the projects	
Diversion Goals, Measurement, Incentives and Penalties, Local-Level Recycling Menu	2017	Recycling Fee is a natural complement to support the mandate of reaching a new diversion goal (per capita)	One bill outlines new measurement technique and goals, incentives and penalties, as well as community plan requirement. Local-level menu compliance can be phased in, but will be instrumental to support community planning
Universal Hauling/PAYT (USAVT)	2017	All 4 bills introduced in 2017 are supportive of each other	Phasing-in targeted sectors will ease implementation and requests to grant fund
Recycling Equipment Tax Credit for Business	2017	Would provide a tax credit to the private sector to assist in complying with the USAVT policy.	Focus on concept of tax credits for trucks, containers and other processing equipment needed to meet the USAVT policy and other diversion infrastructure.
Electronics/TV, paint or mattress Extended Producer Responsibility	2019		Consider if an EPR framework bill would be the best first step in complement to one of these targeted items
State Procurement Code Updates	2019	Require life-cycle analysis for eligible bids, contracts include a product/packaging take-back and compost/mulch use guidance	
Mercury-Containing Devices (including CFLs) & Carpet EPR	2021		
Recycling Market Development Zones	2021	Longer-term policy, supportive of increased economic development in this sector with focus in remanufacturing sector.	
Landfill Bans		For future assessment	Could be offered as a Local-Level Recycling Menu option

SM 71 “Create a Product Stewardship Advisory Group”

BE IT RESOLVED BY THE SENATE OF THE STATE OF NEW MEXICO that the New Mexico Recycling Coalition be requested to organize a product stewardship advisory group; and BE IT FURTHER RESOLVED....

- that the product stewardship advisory group include stakeholders from municipal government, the department of environment, the economic development department, the New Mexico manufacturing extension, industry representatives and any other appropriate stakeholders with technical expertise in product stewardship, solid waste management and recycling;
- that the product stewardship advisory group be requested to identify a product or products for product stewardship programs and related logistics, including collection, transportation, markets, estimated expenses and other pertinent information needed to launch a product stewardship program in New Mexico within a two-year time frame;
- that the product stewardship advisory group consider economic incentives to attract appropriate businesses to develop product stewardship operations; and
- that the product stewardship advisory group report its findings and recommendations to the appropriate interim legislative committee by October 1, 2018



Product Stewardship Advisory Group Next Steps



- Multi-stakeholder support – industry, state and local governments, organizations and legislators
- Key to building critical support that leads to strong legislation
- In non-regulatory states create drug take-back programs, collection of Mercury containing devices, electronics, etc

Producer Responsibility Advocacy & Resources

- **State or Regional Stewardship Entities**

CA, TX, CO, VT, NY, CT, MA, RI, Midwest, Northwest

- **Product Stewardship Institute** <http://productstewardship.us/>

- Thank you to the Product Stewardship Institute for much of the information conveyed in this presentation

- **Product Policy Institute** <http://www.productpolicy.org>

- **Recycling Reinvented** <http://recycling-reinvented.org>

- **California Product Stewardship Council** <http://calpsc.org/>

- **Make It, Take It Campaign** <http://upstreampolicy.org/>

- **Electronics Take Back Coalition**

<http://www.electronicstakeback.com/>

