

HOW LOCAL GOVERNMENTS WILL BENEFIT FROM A PRODUCER RESPONSIBILITY POLICY IN MICHIGAN

INCREASE RECYCLING,
REDUCE LOCAL
GOVERNMENT COSTS,
& REDUCE CLIMATE
POLLUTION

Through a Producer Responsibility policy, Michigan can transform its current recycling system from a disjointed, confusing, and inconvenient patchwork of programs into a coordinated, equitable, and cost-effective statewide system. This will rapidly improve Michigan's recycling rate and result in fewer greenhouse gas emissions, cleaner air and water, less waste sent to landfills, and stronger local economies. <u>Start here for more background on how the policy works</u>.

A statewide Producer Responsibility policy will provide every Michigander with convenient, easy access to recycling for common materials such as packaging, cardboard, paper, and containers. This will greatly benefit Michigan's communities and counties by:

- Providing recycling of covered materials to all residents at no cost to residents or local government.
- Expanding recycling to underserved multi-family buildings and rural areas.
- Reducing local government expenses to provide recycling services.
- Reducing greenhouse gas emissions and plastic pollution.
- Retaining municipalities' right to choose their level of involvement in recycling services.
- Supporting Michigan businesses to continue to provide recycling services.

HOW DOES PRODUCER RESPONSIBILITY WORK?

The policy would require brand owners to pay for and manage a recycling system for cardboard, plastic, metal, paper, and other common recyclables. The companies would form an independent nonprofit organization, called a Producer Responsibility Organization (PRO), to coordinate, fund, and manage this statewide recycling system. Companies will pay fees to the PRO based on the amount and type of packaging they sell in Michigan. The PRO will create one consistent statewide list of what can be recycled, and then the PRO will pay private companies and local governments to operate recycling collection and processing programs. The PRO will cover 100% of the costs of recycling covered materials, including consumer education and government oversight of the program. The Michigan Department of Environment, Great Lakes, and Energy will oversee the PRO and establish an advisory board composed of local governments, recycling companies, nonprofits, and other key stakeholders, to help oversee the program and ensure the PRO meets the needs of Michigan communities and businesses.

Learn more about producer responsibility for containers, packages, and paper in Michigan and how you can get involved at www.circularmichigan.org



PRODUCER RESPONSIBILITY IS PROVEN TO HELP MICHIGAN COMMUNITIES

Producer Responsibility has the most successful track record of sustainably financing and expanding recycling programs to reduce landfill waste and litter. Producer Responsibility policies have been used in 40 countries and provinces to improve recycling. Maine, Oregon, California, and Colorado have adopted Producer Responsibility policies for packaging since 2021 and several others are actively pursuing policies to improve recycling and reduce waste in 2024.





PRODUCER RESPONSIBILITY WILL REDUCE COSTS FOR MUNICIPALITIES & COUNTIES

Many local governments spend tens to hundreds of thousands of dollars each year to run or support recycling drop-off centers or curbside collection programs. These services often represent the largest budget item for a community and costs have escalated over the past several years, forcing many communities to raise rates and to cut back on services. Through Producer Responsibility, the companies that make these products will pay for the recycling programs, providing substantial cost savings to local governments while maintaining or improving existing services.

PRODUCER RESPONSIBILITY CAN CREATE A MORE CONVENIENT, EQUITABLE RECYCLING SYSTEM

While recent changes to solid waste law, Part 115, will require Michigan counties to plan for materials management, the current recycling system is fragmented, inequitable, and confusing. Most residents must subscribe to and pay more for curbside recycling services. This creates substantial inequities as recycling is more available in wealthier communities. There are also very limited recycling services for multi-family properties such as apartments and condos, which make up more than 15% of Michigan's housing.

Recycling in rural areas is often significantly more expensive than in urban and suburban Michigan, which makes it more challenging to financially sustain these programs. A Producer Responsibility policy will provide convenient and equitable recycling systems across all of Michigan, from rural to urban areas, including single-family and multifamily homes.

PRODUCER RESPONSIBILITY PRESERVES FLEXIBILITY & CHOICE FOR LOCAL GOVERNMENTS

Recycling in Michigan is managed primarily at the local level and cities, towns, and counties have a wide range of approaches. This policy provides flexibility for local governments to decide if and how to engage in recycling collection, and does not impose ANY recycling requirements on local governments. This program is a funding source for recycling collection; it will not fund, manage or otherwise interact with trash collection.

HOW PRODUCER RESPONSIBILITY COULD IMPROVE RECYCLING IN DIFFERENT COMMUNITIES

Program Type	Examples	How Producer Responsibility will fund recycling*
Municipally provided recycling collection	Lansing , Marquette Emmet County	PRO reimburses municipalities for full costs to provide recycling services to residents.
Municipal recycling contract with private hauler	Detroit, Flint Traverse City	Municipalities continue to manage local contracts. The PRO pays the full costs of recycling.
Drop-off center	Tuscola County, Allegan County, Grand Ledge	PRO reimburses the local government for the costs to run the drop-off center for eligible recyclable materials (e.g., cardboard, paper, some plastics, etc.).
No local government services	Benton Harbor, Livingston County	PRO pays for recycling collection from households by contracting with private sector companies.

* Under any of these situations, the local governments have the option of leaving recycling operations to the PRO. Residents will receive recycling service under all of these systems at no cost.

PRODUCER RESPONSIBILITY WILL STRENGTHEN LOCAL ECONOMIES

Increasing recycling in Michigan will support local economies by increasing the supply of reliable recycled materials for local and regional manufacturers to incorporate into their manufacturing processes. Because recycling one ton of material creates nine times more jobs than landfilling that material, increased recycling through a Producer Responsibility program will also create green jobs in Michigan.

PRODUCER RESPONSIBILITY WILL INCREASE RECYCLING & REDUCE CLIMATE POLLUTION

Michigan's current recycling rate is 21%, 13% under the national average and well below the state goal of 30% by 2029. By recycling more, Michigan will reduce climate pollution, protect our clean air and water, and create jobs. At a 45% recycling rate, Michigan can expect to reduce greenhouse gas (GHG) emissions by an additional 7 million tons, the equivalent to removing almost 1.5 million cars from the road annually. Recycling one ton of materials saves an average of three tons of climate pollution. Producer Responsibility will help municipalities meet their climate action plans by boosting recycling rates.

SUPPORT A PRODUCER RESPONSIBILITY POLICY FOR PACKAGING IN MICHIGAN

A Producer Responsibility policy for packaging in Michigan is a groundbreaking opportunity to transform our recycling system and accelerate progress toward state recycling and climate goals. Learn more and show your support at https://circularmichigan.org/

Producer Responsibility in Michigan is generating strong bipartisan support from local governments, consumer goods companies, recycling businesses, environmental groups, and more. For more information, please contact:

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