



ENVIRONMENTAL RESPONSIBLTY PRIORITES/PRINCIPLES

Extended Producer Responsibility programs

Extended Producer Responsibility (EPR) programs in California have evolved significantly over the past two decades, with early efforts focused on reducing waste and improving recycling for specific product categories like electronics and batteries. Recent legislation, including the introduction of Producer Responsibility Organizations (PROs), has aimed to streamline and expand these efforts, making manufacturers more accountable for the end-of-life management of their products. CalRecycle, the state agency responsible for overseeing waste management and recycling programs, plays a key role in implementing and enforcing EPR regulations. Future legislation may further refine these programs, focusing on broader product categories, improved recycling infrastructure and increased accountability for producers. The retail industry can play a leadership role by actively participating in PROs, driving innovation in product design, and educating consumers on sustainable practices, ultimately contributing to a more circular economy in California. The California Retailers Association welcomes the opportunity to collaborate with policymakers and regulators on the development of EPR programs that are streamlined, efficient, cost effective and consumer-friendly with a focus on being accountable to strong environmental and fiscal outcomes while incentivizing environmental innovation.

California Retailer Association EPR Focus:

- ✓ **Extended Producer Responsibility (EPR) programs in California can achieve strong environmental outcomes while being business-friendly by incentivizing innovation and efficiency.** By designing EPR policies that encourage companies to create sustainable products and packaging, we can reduce waste and environmental impact. A well-structured EPR program levels the playing field, ensuring that all businesses share the responsibility for managing the end-of-life impact of their products. This approach not only protects the environment, but fosters a competitive market, where businesses that prioritize sustainability can thrive and lead the way in green innovation.
- ✓ **The governance of California's Extended Producer Responsibility (EPR) system should be managed equitably by all manufacturing stakeholders,** including retailers, through a unified, producer-led Producer Responsibility Organization (PRO). This approach ensures that all parties involved in the production and sale of products share responsibility for their environmental impact. By consolidating the number of PROs in the state into a single, streamlined entity, we can reduce administrative complexity, lower costs and enhance the effectiveness of the EPR system. A single, well-managed PRO allows for consistent oversight, efficient resource allocation and a more cohesive strategy to achieve the state's environmental goals.

- ✓ **A cost-effective Extended Producer Responsibility (EPR) system in California can deliver significant benefits** to both businesses and consumers while achieving strong environmental outcomes. By incentivizing businesses to design products that are easier to recycle can reduce disposal costs and the environmental impact. Consumers benefit from a cleaner environment and potentially lower costs over time as efficiencies in product design and waste management are realized. Conducting a needs assessment as part of the EPR implementation ensures that resources are allocated effectively, addressing specific gaps and challenges, leading to a more tailored and efficient system that maximizes benefits for all stakeholders.
- ✓ **In California's Extended Producer Responsibility (EPR) programs, financial responsibility should be shared equitably among all manufacturing stakeholders**, including packaging producers, state governments and California municipalities. This balanced approach ensures that the costs of managing product waste are not disproportionately borne by any one group, promoting fairness and collaboration. By avoiding rigid mandates and instead encouraging voluntary, shared financial participation, the system allows for flexibility and innovation while still achieving environmental goals. A cooperative, stakeholder-driven model ensures that everyone contributes their fair share, supporting both economic and environmental sustainability.
- ✓ **California's Extended Producer Responsibility (EPR) programs should adopt an Eco modulated cost model to incentivize sustainable packaging design and reduce packaging waste.** By structuring fees based on the environmental impact of packaging materials and production processes, this model encourages manufacturers to use eco-friendly materials, minimize waste and prioritize responsible disposal and recycling. Eco modulation rewards businesses that invest in sustainable design while pushing the entire industry toward greener practices. Ultimately, it aligns environmental goals with economic incentives, fostering innovation and reducing the environmental footprint of packaging throughout the state.
- ✓ **California's long-term financial sustainability of Environmental Producer Responsibility (EPR) programs depends on maintaining dedicated, transparent funding streams that are solely used for environmental management and waste reduction initiatives.** To ensure these programs remain effective, it is crucial that funds collected through EPR programs are not diverted to non-germane, general state funds. This protection allows for the consistent investment in recycling infrastructure, product redesign and other sustainability efforts, ensuring that the financial resources directly support the program's environmental goals and provide long-term benefits to the state's economy.
- ✓ **EPR programs in California should prioritize convenience for consumers**, ensuring that recycling and waste disposal options are easily accessible and straightforward to use. This ease of participation encourages higher rates of engagement, helping to maximize the environmental benefits of the program. In addition, **consumer education is crucial for success**—by providing clear information on how and where to recycle, consumers are empowered to make informed decisions that align with sustainability goals. Well-designed EPR programs, combined with effective education efforts, create a seamless experience for consumers, fostering greater participation and contributing to long-term environmental outcomes.

EPR Bills/Environmental bills/Issues that could return in 2025:

- Carpet (Aguliar-Curry)
- Household Hazardous Waste (Allen)
- AB 1659 (Gabriel) - Sale of small electronic devices: charging devices.
- AB 2761 (Hart) - plastic packaging: Reducing Toxics in Packaging Act.
- SB 903 (Skinner) product safety: perfluoroalkyl and polyfluoroalkyl substances (PFAS)
- AB 727 (Weber) Product safety: cleaning products and floor sealers or finishes containing PFAS
- AB-1628 (McKinner) Microfiber filtration in the sale of washing machines