

# Background on the RMA and ORSOP

This document is the first of a series of six support documents Circular Action Alliance (CAA) created to help **local governments** prepare for their next step in the implementation of the Recycling Modernization Act (RMA).

Specifically, CAA is asking each community to use these documents as tools to prepare for the Oregon Recycling System Optimization Project (ORSOP), which will take place from May through August of 2024. These documents call out the areas of consideration and data necessary for communities to **effectively identify their system expansion needs** for the ORSOP effort. When funding requests are made during the ORSOP response period (May – August 2024), supporting documentation gathered from these preparedness documents may be requested.

This document provides **background information** about the RMA and, broadly, how it applies to local governments in Oregon. Additionally, it offers insights on the ORSOP. The document is divided into the following sections:

- Recycling Modernization Act Background
- Section 1: About the Oregon Recycling System Optimization Project
- Section 2: ORSOP Preparedness Tools
- Section 3: CAA’s Guidance for Expansion Funding Requests
- Section 4: Glossary of Terms
- Section 5: Language of OAR 340-090-0800

# Recycling Modernization Act Background

## Oregon's New Recycling Law

Oregon's recycling system will soon change due to a recently passed law called the [Plastic Pollution and Recycling Modernization Act \(RMA\)](#). The RMA requires producers of packaging, printing and writing paper, and food service ware to share the responsibility for building and maintaining a more resilient and responsible recycling system. Producers must join and pay fees to a nonprofit Producer Responsibility Organization (PRO). Recycling system changes begin July 2025 with the implementation of a DEQ-approved PRO plan.

You can learn more on [the RMA website](#). Click on "Informational material" to review the Local Government Responsibilities and Benefits, Frequently Asked Questions, Implementation Timeline, and the Material Acceptance List.

## Funding for New Recycling Requirements

Under the RMA, local governments and service providers will continue to provide recycling services, along with [meeting some new requirements](#). The law makes local governments eligible for five different types of PRO funding, including compensation for:

- Transporting recycling materials long distances,
- Expanding recycling services,
- Implementing contamination reduction programming.

## What to Expect

In the coming year, local governments will have the opportunity to:

- Discuss recycling service expansion requests, funding, and existing recycling depots with the PRO, Circular Action Alliance (this Spring and Summer).
- Provide feedback on new recycling educational materials and contamination reduction programming elements (this Summer and Fall).
- Designate and authorize service providers to receive PRO funding on their behalf at the beginning of 2025.

## **Section 1: About the Oregon Recycling System Optimization Project (ORSOP)**

### What is the purpose of the Oregon Recycling System Optimization Project?

The information gathered during the ORSOP effort will be central to identifying the system expansion needs of local governments and service providers as they comply with the obligations of both the Opportunity to Recycle Act and the RMA. These eligible costs will be paid for by CAA as the PRO. Eligible costs include:

- Start-up costs for on-route programs,
- Equipment necessary for moving, compacting baling and loading Uniform Statewide Collection List (USCL) recyclables for shipment from a recycle reload facility,
- If deemed necessary, new reload facilities (covering the portion relating to the management of USCL materials)
- Start-up and operational costs for recycling depots, including hiring and staff training.

If a local government participated in the Needs Assessment in 2023 and would like to be reimbursed for adding or expanding recycling curbside service or depots as needed to provide convenient recycling opportunities, these expenses need to be specifically identified during the ORSOP effort. This will enable CAA to review, prioritize and schedule those investments as required in its program plan (for the period from July 1, 2025 – December 31, 2027).

### What will be accomplished during the ORSOP?

The first RMA Needs Assessment was conducted before the Accepted Material List was developed, which meant that stakeholders were not able to meaningfully identify all needs.

The first Needs Assessment did not provide sufficient information for CAA to review and schedule local government system expansion requests. Consequently, CAA will be engaging local governments to gather more information that will:

- Reconcile the proposed rule concept priorities with county and city requests,
- Coordinate city and county requests within counties,
- Highlight geographic considerations that need to be taken into account when scheduling investments, and
- Develop a process for incorporating both local government and related service provider feedback.

CAA will also need to ensure the funding requests and investments are “right-sized” to the anticipated volumes in the system. To overcome some of the limitations of the first Needs Assessment, the ORSOP effort will:

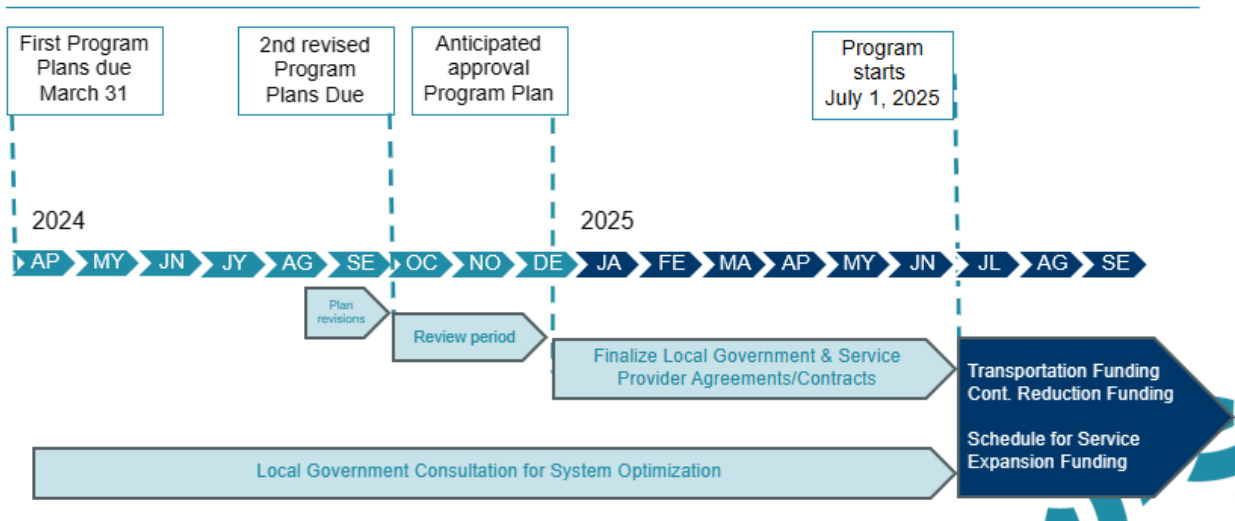
- Take a watershed approach to the discussions with local governments, considering where broader system efficiencies can be achieved on that scale,
- Understand unique conditions that may exist in each jurisdiction,
- Confirm the current infrastructure in place,
- Identify current gaps and the associated needs to determine funding prioritization set forth by DEQ, and
- Confirm which permitted facilities and existing local government facilities would like to participate in the CAA PRO depot network.

The engagement with local governments beginning in May will allow CAA to develop a schedule for processing claims over 2.5 years. The final funding amounts will be determined during the negotiation phase of engagement with local governments, which will take place this Fall.

### What is the timeline for the ORSOP?

The ORSOP effort includes the multiple workstreams necessary for the PRO to comply with the RMA's provisions. Local government engagement for system expansion funding is one piece of the ORSOP and will occur in multiple phases, as outlined below.

### Timelines



At a high level, local governments can expect the following sequence of events during the ORSOP process:

- Preparedness tools made available to local governments and service providers to gather information necessary to make funding requests. Local governments are strongly encouraged to work through these tools before meeting CAA to define their funding requests.
- The CAA team will be contacting local governments between May-August to review the requests made during 2023 Needs Assessment and refine requests based on the defined needs. Local governments may elect to have service providers work with CAA to refine these requests.
- In September, CAA will submit a revised program plan that outlines the local government system expansion and new program funding requests and the schedule for funding those investments over the program plan period.
- Following feedback on the schedule of investments from DEQ, CAA will enter a period of negotiation with local governments and their service providers.
- Once a community has completed negotiation, CAA will work with local governments and/or their service providers to complete a contract that defines the terms of the reimbursement for the program plan period.

CAA will be offering additional guidance for local governments, service providers and depot operators to help guide them through each step of the ORSOP process.

## Section 2: ORSOP Preparedness Tools

### Prepare to Engage with CAA on the ORSOP

CAA is asking each community to use the documents in the checklist below as tools to prepare for the ORSOP effort, which will take place from May through August of 2024. These documents call out the areas of consideration and data necessary for communities to effectively identify their system expansion needs for the ORSOP effort.

<b>Document</b>	<b>Completed/ Reviewed</b>	<b>Not Applicable</b>
Guidance for Expansion Funding Requests		
On-Route Collections: Existing System & Anticipated Expansion		
Depot Collections: Existing System & Anticipated Expansion		
Reload Facilities: Existing System & Anticipated Expansion		
Potential PRO Acceptance List Collection Evaluation		

Transportation Reimbursement Consideration		
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When funding requests are made during the ORSOP response period (May – August 2024), supporting documentation gathered from these preparedness documents will be requested.

## **Section 3: CAA’s Guidance for Expansion Funding Requests**

Undertaking the ORSOP effort will enable CAA to meet its obligations to develop a schedule for funding local government collection programs expansions and improvements in the state (as required by Oregon Revised Statutes (ORS) 459A.875 (2)(p)). The types of system expansions and improvements that are eligible for funding under the Recycling Modernization Act (RMA) are determined under ORS 459A.890 and OAR 340-0900. The guidance offered in this document relates to just one type of reimbursement local governments, service providers, and commingled recycle processing facilities (CRPFs) might be eligible to receive. Guidance will be forthcoming on other reimbursements to help fund the recycling system under the RMA.

This document offers guidance on the type of system expansion and new program start-up reimbursement requests CAA will consider as eligible for funding under the RMA. CAA also offers some guidance on how local governments can begin to calculate the additional equipment and capacity needs to comply with the requirements of the RMA, and subsequently the Opportunity to Recycle (OTR). In order to successfully respond to the ORSOP to be conducted by CAA, local governments will need to consider the current state of their recycling systems, develop assumptions around increased volumes, identify necessary system expansion, and align those infrastructure needs with the guidance for eligible expense reimbursements.

The guidance contained in this document – coupled with the worksheets for on-route collections, depot collections and reload facilities – is intended to help prepare local governments to engage in the ORSOP in a meaningful way. The views expressed in this guidance reflect those of CAA and do not necessarily reflect the views of any members of CAA.

Submission of a funding request to CAA does not guarantee a funding award, in whole or in part, or payment within a specific timeframe. CAA will be assessing funding requests in accordance with statutory requirements and review criteria included in its approved program plan. All funding determinations will be made by CAA in accordance with applicable law and in accordance with the investment schedule proposed in the PRO program plan. Draft Review Criteria attached as appendix A in the program plan have been submitted to DEQ, but the submitted plan is under review and has not yet been approved.

### Reimbursement for New and Expanded On-Route Collection Services

From ORS 459A.890 (5)(d)(A)

*(A) For on-route programs, start-up costs, including but not limited to trucks, containers, promotional literature and, if necessary and none other is available, a recycling reload facility for reloading recyclables, including any compaction equipment necessary for the recycling reload facility*

From OAR [340-090-0800](#)

(c) Eligible costs under ORS 459A.890(5) include but are not limited to:

(A) Start-up costs for on-route programs including but not limited to:

- (i) Trucks,
- (ii) Collection containers, roll carts, or both,
- (iii) On-board contamination monitoring equipment and software,
- (iv) New program promotional literature,
- (v) The process of hiring and training staff,
- (vi) Staff safety equipment

Eligible	Not Eligible
New trucks for expanded service	Replacing existing trucks or retrofits to equipment that are unrelated to service expansion.
New container and/or roll carts for expanded service	Roll carts purchased as part of standard replacement scheduled*. For the purchase of carts on the replacement schedule, CAA is only responsible for the cost delta between carts without recycled content and carts with 10% post-consumer recycled content.
On-board contamination monitoring equipment and software	
New program promotional literature to support expanded service	
The process of hiring and training staff	Salaries for drivers or other employees
Staff safety equipment related to the management of USCL materials	Staff safety equipment related to the management of non-USCL materials

**\*Note:** As of January 1, 2026, local governments will be eligible for roll cart funding to ensure any new roll carts contain 10% post-consumer recycled material.

*From ORS 459A.908: Roll carts. A local government shall ensure that roll carts, bins and containers purchased by the local government’s service providers are manufactured from at least 10 percent post-consumer recycled material and are certified by an independent verification standard, such as the Postconsumer Resin Certification Program established by the Association of Plastic Recyclers. [2021 c.681 §21]. 459A.908 becomes operative January 1, 2026. See section 62, chapter 681, Oregon Laws 2021.*

## Reimbursement for Recycling Reload Facility Expansion

Reload facilities are eligible for funding under ORS 459.890, and when also co-located with a PRO depot facility, eligible for additional funding under ORS 459.896. This section relates to eligible expenses under ORS 459.890 specifically.



From OAR [340-090-0800](#)

*vii) Recycling reload facilities for reloading recyclables, including but not limited to any equipment necessary for moving, compacting, baling and loading recyclables for shipment for the recycling reload facility, provided that the facility is necessary, and no other facility is available or existing facilities are inadequate.*

Eligible	Not Eligible
Equipment necessary for receiving, managing and loading the increased volumes of USCL materials	Equipment and infrastructure used to manage materials at reload facilities not related to the management of USCL materials
Infrastructure expansions necessary for managing increased volumes of USCL materials	Ongoing staffing costs for managing increased volumes of USLC materials. Any costs associated with managing PRO materials will be eligible for payment under ORS 458.896(1)

Reimbursement for construction of a new reload facility will be considered by CAA if no other facility is available or existing facilities are inadequate when evaluated at the watershed-level. The portion of the reload facility dedicated to the management of USCL materials will be eligible for reimbursement. Portions of the facility that will be managing landfill-bound or non-USCL materials will not be eligible for reimbursement. Determination of the eligible portion of the facility and associated funding amount available shall be made by CAA.

**\*Note:** Due to the preliminary nature of the 2023 Needs Assessment, local governments requested more reload facilities than the system needs. Through a watershed-level system evaluation (subject to certain exceptions), and utilizing program plan review criteria, CAA will consult with local governments and service providers regarding the need for new reload facilities in different jurisdictions. CAA will attempt to reach consensus among stakeholders regarding recycling reload facility investment decisions. Implications for local government and service provider transportation compensation may also be considered during the review of recycling reload facility assessments.

## Reimbursement for USCL Depot Collection Expansion

From 459A.890 (5)(d)(B)

*(B) For recycling depots, containers, on-site monitoring equipment, site preparation or other start-up costs and operational costs, including staffing*

From OAR [340-090-0800](#)

*(1)(a) A producer responsibility organization must provide funding for activities requested by local governments through the periodic needs assessment including, but not limited to:*

*(A) Adding new services,*

*(B) Expanding services, or*

*(C) Adding or expanding recycling depots as needed to provide convenient recycling opportunities.*

From OAR [340-090-0800](#) (1)(c)

*B) Start-up and operational costs for recycling depots, including but not limited to:*

*(i) If necessary to establish such a location, acquiring, renting or leasing of land,*

*(ii) Site preparation or other start-up costs,*

*(iii) Collection containers,*

*(iv) Signage,*

*(v) On-site monitoring equipment,*

*(vi) Equipment to move, compact, bale and load recyclables for shipment,*

*(vii) Hiring and training staff,*

*(viii) Staff safety equipment, and*

*(ix) Operational costs*

<b>Eligible</b>	<b>Not Eligible</b>
New collection containers needed for additional USCL materials collected	Replacement of existing containers
Signage	
On-site monitoring equipment	
Equipment to move, compact, bale and load new volumes of recyclables for shipment	Equipment to manage non-USCL materials. Equipment used to manage PRO materials is eligible for funding under ORS 459A.896.
Costs of hiring and training staff related to the management of USCL materials	Cost of hiring and training staff that manage non-USCL materials at the same site. The cost of hiring and training staff to manage PRO materials is eligible for funding under ORS 459A.896.

Staff safety equipment related to the management of USCL materials	Staff safety equipment related to the management of non-USCL materials
Site operational costs for the portion of the site hosting USCL drop-off collections	Site operation costs for the portion of the site hosting management of non-USCL materials.**
Costs of acquiring land and space for new depot locations.	

**\*\* CAA will develop guidance on cost allocation methods for determining site administration costs at a future date.**

Reimbursement for the construction of a new depot or expansion of an existing depot will be considered by CAA as needed to provide convenient recycling opportunities. As per RMA rules, CAA will prioritize funding for recycling depots where needed to meet local government OTR obligations. For new depot locations deemed necessary, the PRO will consider requests to cover the cost of renting or leasing the location as well as site preparation costs required to meet depot performance standards. The portion of the recycling depot dedicated to the management of USCL materials will be eligible for reimbursement, as determined by CAA.

### Guidance for Calculating Increased Capacity and Equipment Needs

While the [Crowe Study Result Processor Commodity Contamination Management Fee: March 7, 2024 Final Report](#) anticipates that total system USCL volumes will remain steady across Oregon at 301,117 tons through 2028. CAA anticipates “new” materials added to the system statewide will generate about a 3% increase in weight and a 7% increase in volume for jurisdictions with an existing program. The volume increase expected for each community is largely dependent on how extensively the list of materials collected on route and through depots will be expanding.

In terms of estimating additional needed capacity and equipment, CAA offers the following estimations to use as proxies when considering current capacity and equipment. For those introducing services where none exist, the information can be used to help determine specific needs.

### Equipment Capacity Estimates

On-route collection trucks service on average 500 stops per day in rural areas. Consider co-collecting waste and recyclables in the same truck and/or collection on one side of the street to be more efficient.

On-route collection trucks can service up to 180 stops per hour in urban areas (where recyclables are collected via roll cart).

A 95-gallon cart is the most efficient, providing residents with more capacity, ease of use, and making it possible for every other week collection. For weekly collection services, a 65-gallon cart could be sufficient.

Smaller carts are not advisable as they create operational issues with larger packaging like cardboard boxes and bulky plastics.

Multi-family buildings can be serviced using 95 gallon carts for smaller buildings. It is common to use one 95 gallon cart for up to three units. 6 carts can service up to 18 units. Buildings with more units are typically serviced with front end containers. A 6 yard container has the same capacity as 12 carts.

Business needs vary greatly. A good waste composition study will guide the service provider with the best equipment and frequency to service each site.

Those needing a depot may want to consult with their service provider to see what kind of equipment may be available. While it is common to use a roll-off container at depots because of its volume (20-40 cubic yards), a better way is to use smaller front-end containers (6 cubic yards) in multiple locations. A single truck can collect, compact, and carry up to 240 cubic yards in one trip in lieu of the 20 or 40 cubic yards per trip.

Wastesheds with multiple drop-off locations can use smaller properties in more locations to reach more residents more efficiently. Compactors can manage 30 tons per hour and are the preferred way to manage and consolidate recyclables that must be shipped long distances. CAA will be consulting with CRPFs to determine appropriate compaction for maximizing transportation efficiencies and optimizing recovery at the CRPF. Communities that indicate they need a baler for co-mingled USCL materials may be approached about the potential of using a compactor instead.

CAA encourages local governments that are considering making a request for a reload facility to begin discussions with other jurisdictions in the wasteshed to explore the best options for citing a reload facility that enhances the broader recycling system in the wasteshed or region.

## Section 4: Glossary of Terms

**Commingled recycling** means the recycling or recovery of two or more materials that are mixed together and that generally would be separated into individual materials at a commingled recycling processing facility in order to be marketed.

**Commingled recycling processing facility (CRPF)** means a facility that receives recyclable materials that are collected commingled from a collection program providing the opportunity to recycle. The CRPF separates the recyclable materials into marketable commodities or streams of materials that are intended for use or further processing by others.

**Contamination** means the presence of one or more contaminants in a recycling collection or commodity stream in an amount or concentration that negatively impacts the value of the material or negatively impacts a processor's ability to sort that material.

**Local government** means a city, a county, or a metropolitan service district.

**Local government's service provider** means a collection service franchise holder under ORS 459A.085, or any person authorized by a local government to provide recycling collection services.

**Opportunity to Recycle** means at least that the city, county or metropolitan service district provides a place for collecting source separated recyclable material, including the materials on the uniform statewide collection list designated for collection at a recycling depot. If a city has a population of 4,000 or more, it provides collection at least once a month of source separated recyclable material, including the materials on the uniform statewide collection list.

**Processor** means a person that owns or operates a commingled recycling processing facility.

**Producer Responsibility Organization (PRO)** means a nonprofit organization established by a producer or group of producers to administer a producer responsibility program.

**Producer responsibility program** means a statewide program for the responsible management of covered products that is administered by a producer responsibility organization pursuant to a plan approved by the Department of Environmental Quality.

**Recycling depot** means a location where recyclable materials are accepted from the public or commercial businesses and transported to a location for processing or to an end market.

**Recycling Modernization Act (RMA)** means the recently passed law called the Plastic Pollution and Recycling Modernization Act. The RMA requires producers of packaging, printing and writing paper, and food service ware to share the responsibility for building and maintaining a more resilient and responsible recycling system.

**Recycling reload facility** means a facility other than a recycling depot where recyclable materials are received, consolidated and made ready for transport to another location for processing or to a responsible end market.

**Responsible end market** means a materials market in which the recycling or recovery of materials or the disposal of contaminants is conducted in a way that benefits the environment and minimizes risks to public health and worker health and safety.

**Uniform Statewide Collection List (USCL)** means the list of materials established in accordance with the requirements of the Plastic Pollution and Recycling Modernization Act.

**Wasteshed** means a designated area where material is physically generated and managed for disposal, reuse, refilling or recycling.

## **Section 5: Language of OAR 340-090-0800**

340-090-0800

### **Expansion of Service Funding and Needs Assessment**

(1) Costs associated with the expansion and provision of recycling collection service for covered products, as provided by ORS 459A.890(5) are eligible costs for funding or reimbursement by a producer responsibility organization.

(a) A producer responsibility organization must provide funding for activities requested by local governments through the periodic needs assessment including, but not limited to:

(A) Adding new services,

(B) Expanding services, or

(C) Adding or expanding recycling depots as needed to provide convenient recycling opportunities.

(b) A producer responsibility organization, or coordinating body, will not provide funding for expansion that is inconsistent with the finalized terms of expansion between the producer responsibility organization, or coordinating body, and the local government or a local government's service provider.

(c) Eligible costs under ORS 459A.890(5) include but are not limited to:

(A) Start-up costs for on-route programs including but not limited to:

(i) Trucks,

(ii) Collection containers, roll carts, or both,

(iii) On-board contamination monitoring equipment and software,

(iv) New program promotional literature,

(v) The process of hiring and training staff,

(vi) Staff safety equipment, and

(vii) Recycling reload facilities for reloading recyclables, including but not limited to any equipment necessary for moving, compacting, baling and loading recyclables for shipment for the recycling reload facility, provided that the facility is necessary, and no other facility is available or existing facilities are inadequate.

(B) Start-up and operational costs for recycling depots, including but not limited to:

- (i) If necessary to establish such a location, acquiring, renting or leasing of land,
- (ii) Site preparation or other start-up costs,
- (iii) Collection containers,
- (iv) Signage,
- (v) On-site monitoring equipment,
- (vi) Equipment to move, compact, bale and load recyclables for shipment,
- (vii) Hiring and training staff,
- (viii) Staff safety equipment, and
- (ix) Operational costs

(2) DEQ must conduct statewide needs assessments periodically in accordance with ORS 459A.890(8)(a).

(a) Local governments that request services through the periodic needs assessment will commit to providing additional services with an agreement with the producer responsibility organization, or coordinating body, after working with the producer responsibility organization, or coordinating body, to determine the details to be implemented according to 459A.890 (5)(b).

(b) Expansion of service commitments will be implemented by the local government and the local government's service providers, with the producer responsibility organization, or coordinating body, providing financial and educational assistance to the committed effort during the first approved producer responsibility program plan.

(c) DEQ may conduct up to two local government needs assessments for the producer responsibility organization, or coordinating body, to respond to for each subsequent program plan according to ORS 459A.875.

(d) For expansion that is to occur at the beginning of a program plan subsequent to the initial program plan, DEQ will submit information to the producer responsibility organization, or coordinating body, from a local government needs assessment 18 months before the current program plan is due to expire.

(e) For expansion that is to occur mid-program plan, DEQ may submit information from a local government needs assessment at least four years before the current program plan is due to expire.

(f) When DEQ sends a local government needs assessment report to a producer responsibility organization, or coordinating body, within four years of the current program plan expiration, the



producer responsibility organization, or coordinating body, must submit a program plan amendment to DEQ to address the service expansion interest from the needs assessment within 180 days.

(A) Upon completion of a request for expansion of service, any unused advanced funding provided by a producer responsibility organization, or coordinating body, to a local government or local government's service provider, for the purposes of funding that expansion request, must be returned to the producer responsibility organization, or coordinating body, within 60 days of completion of the expansion request. An invoice detailing how the local government or local government's service provider used the advanced funding must also be provided.

(B) Upon request of DEQ, a local government or a local government's service provider must demonstrate to DEQ's satisfaction that the funding a local government or a local government's service provider received was used for its intended purpose.

(3) A local government must identify to DEQ service providers that are authorized to receive advanced funding or reimbursement directly, as described in this rule, from the producer responsibility organization, or coordinating body, via a process to be determined by the department. If for any reason a service provider to the local government changes, the local government is responsible for informing DEQ of that change.

(4) A local government and service providers authorized by a local government to provide services, that has received funds for expansion or improvements to recycling collection under ORS 459A.890 and this rule must report to the producer responsibility organization, or coordinating body, when the expansion or improvements have been fully implemented. A local government or a local government's service provider authorized by a local government to provide services must also report the status of implementation to the producer responsibility organization, or coordinating body, on an annual basis for any funded collection program that has not been fully implemented, so that the producer responsibility organization, or coordinating body, may include that information in the annual report required under ORS 459A.887.