

## **Extended Producer Responsibility (EPR) Basics for Proposed Legislation** (Feb 2016)

Legislation that incorporates an effective EPR approach must include the following general key elements that are critical for successful implementation. CalRecycle is available to provide assistance.

MFR/PR = Manufacturer/Producer SO = Stewardship Organization

**Tiered Definition of Manufacturer/Producer.** Important for streamlined enforcement (and lower fiscal impacts to State Government Agency) at first point of entry into California and for providing a level playing field to all MFR/PRs.<sup>1</sup>

- 1<sup>st</sup> Tier – Manufacturer of the product
- 2<sup>nd</sup> Tier – Importer/Distributor of the product
- 3<sup>rd</sup> Tier – Retailer who sells the product

**Sales Ban at the Manufacturer/Producer Level Only.** Coupled with tiered definition of MFR/PR, enables streamlined enforcement and lower fiscal impacts to State Government Agency.

### **Funding.**

- Program funds are managed by the MFR/PR or SO to implement the Stewardship Plan and reimburse State Government Agency for oversight/enforcement expenses.
- Program costs should be internalized similar to other costs of doing business.
- If a visible assessment is used, it must be approved by State Government Agency and applied at the point of sale. Any penalties paid for by MFR/PR and not paid for using assessments.

### **Goals.**

- Must be meaningful, clear, enforceable, and quantitative in order for the program to achieve the desired outcomes and to enable enforcement action against the SO or MFR/PR if needed.
- Set in statute, or statute provides a date by which State Government Agency must set goal(s).

### **Stewardship Organization.**

- MFR/PRs must operate under an approved Stewardship Plan, either individually or as members of a SO.

### **Stewardship Plan, Annual Reports.**

- MFR/PR or SO must submit and implement a Stewardship Plan that will result in achievement of the goal(s) required by statute and/or set by the State Government Agency.
- MFR/PR or SO must submit an Annual Report and Budget to the State Government Agency that contains the data needed to determine if the goals are being achieved and to enforce the requirements of the law.
- MFR/PR or SO must coordinate with and address concerns of a multi-stakeholder advisory committee, at a minimum, during development of the Stewardship Plan, Annual Report, and Budget.

### **Oversight & Enforcement.** State Government Agency:

- Reviews and approves Stewardship Plans, Annual Reports, and Budgets.
- Provides inspection and enforcement to ensure a level playing field among MFR/PRs.
- Receives reimbursement by a MFR/PR or SO for its full costs of oversight/enforcement.
- Audits MFR/PRs and entities participating in the SO for compliance with statute and regulations.

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<sup>1</sup> The Standard Checklist provides a complete sample definition: [www.calrecycle.ca.gov/EPR/Resources/ChecklistStd.doc](http://www.calrecycle.ca.gov/EPR/Resources/ChecklistStd.doc)