

## **STAFF REPORT**

### **IMPROVING PERFORMANCE AND EQUITY OUTCOMES FROM THE METRO REGION RECYCLING SYSTEM**

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Date: 10/12/2021

Department: Waste Prevention and Environmental Services

Meeting Date: 10/21/2021

Presenter(s): Sabrina Gogol (WPES); Sanne Stienstra (Department of Environmental Quality)

Length: 45 minutes

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## **ISSUE STATEMENT**

The Metro Material Recovery Facility Standards Project (MRF Project) is developing new quality and reporting requirements for Metro-licensed facilities that sort commingled recycling, such as aluminum cans, glass, and plastic tubs. These new requirements are being developed in alignment with a larger statewide effort order to modernize Oregon's recycling system. In 2021, the Oregon Legislature adopted the Plastic Pollution and Recycling Modernization Act (Modernization Act). This new law modernizes Oregon's outdated recycling system using an approach that includes producers, governments and the recycling industry.

### **Contamination causes problems domestically and abroad**

Recycling helps reduce waste, use fewer resources and protect the environment for future generations. But Oregon's recycling system was created decades ago – and it wasn't built for what's put in the bin today. It's important that residents in the greater Portland area do their part to recycle responsibly, and keep items like plastic bags out of the recycling bin. But ensuring that recycling is sorted correctly at Metro-licensed recycling facilities is also essential to meet our region's environmental and equity goals.

If recyclables are improperly sorted at a facility, it's challenging to ensure that those materials will be recycled responsibly. Materials may be shipped to places that don't have the infrastructure to manage them, which can lead to pollution in communities and waterways. Currently, at least 28% of recyclable materials processed by regional sorting facilities are sent directly to destinations in Asia. Once those materials are exported, it's difficult to know what happens to them. Current licensing requirements for sorting facilities provide little information about what happens to recyclables, including where those materials are exported to and if they are turned into new products.

## **Metro can close the data gap on workforce equity in the garbage and recycling system**

In the years since Metro began licensing facilities that receive commingled recyclables, Metro has begun implementing goals for advancing workforce equity in the garbage and recycling sector. The Metro Council adopted the 2030 Regional Waste Plan that guides Metro's oversight of the garbage and recycling sector through 2030. This plan contains two goals that focus on workforce equity: Goal 3: "Ensure that all jobs in the garbage and recycling industry pay living wages and include good benefits" and Goal 4: "Increase the diversity of the workforce in all occupations where people of color, women and other historically marginalized communities are underrepresented." Facilities currently provide limited information about working conditions, including workforce compensation, safety and diversity. Having accurate and timely data on the wages, benefits, and demographics of the workforce at the Metro-licensed facilities receiving commingled recyclables is a key step to building policies and programs designed to advance these goals.

## **The MRF Project seeks to build on Metro's existing licensing of facilities by establishing new requirements for facilities receiving commingled recyclables:**

- **New Inbound quality requirements.** Reduces the amount of contamination in commingled recyclable material hauled to these facilities.
- **New Outbound quality requirements.** Facilities produce a high enough quality bale of recyclables to support responsible recycling.
- **Improved Destination data reporting requirements.** Updates the reporting Metro currently requires to provide more detailed, verifiable information.
- **New Workforce equity reporting requirements.** Creates timely and accurate facility reporting on workforce wages, benefits, and demographics.

## **COUNCIL ENGAGEMENT**

Staff will seek Metro Council policy direction on a broad proposal package in order to draft a narrower, more detailed package of new and improved requirements for Metro-licensed facilities that receive commingled recyclables. With Metro Council direction and stakeholder input, a final package of proposed requirements can be prepared for Metro Council review and approval in 2022. In the event that these Metro Council directed improvements require changes to Metro Code and administrative rule, staff will initiate the adoption process, which includes work session(s) with Metro Council and a public comment period.

## **QUESTION(S) for CORE**

1. Do you have any general, clarifying questions about DEQ's Recycling Modernization Act?
2. Do you have any general, clarifying questions about the Metro MRF Project?
3. Thinking about the MRF Project, what requirement(s) under development is most important to you and your community?

## **STRATEGIC CONTEXT & FRAMING COUNCIL DISCUSSION**

Metro's existing licensing of facilities that receive the region's commingled recyclables is a key mechanism for implementing new requirements that will improve material quality and advance workforce equity. With direction from Metro Council, staff will propose a package of new requirements that include improvements to these facilities' licenses. Metro staff will also recommend places where additional Metro policy updates are needed, such as changes to Metro Code or administrative rule, in order to update licenses. New requirements for performance quality, material destination reporting, and workforce equity reporting will help support a level playing field for facilities by ensuring consistent expectations for transparency, and accountability that align with Metro's 2030 Regional Waste Plan.

The development of new requirements for Metro-licensed source separated commingle facilities also supports the ongoing DEQ-led statewide effort to modernize the recycling system. In 2021, Oregon adopted landmark legislation—the Pollution Prevention and Recycling Modernization Act— which establishes a truly comprehensive update to the entire recycling system in Oregon, including to the Metro-licensed facilities receiving commingled recyclables. Metro has an opportunity to establish meaningful improvements to the regional recycling system before the Modernization Act is implemented statewide. Additionally, Metro can gain valuable experience and data that would be used to inform detailed standards, rules, and guidance needed to implement the Modernization Act.

## **RELEVANCE TO THE STRATEGIC PLAN TO ADVANCE RACIAL EQUITY, DIVERSITY AND INCLUSION**

This project has been designed and continues to be implemented to advance Goal A and Goal B of the Strategic Plan to Advance Racial Equity, Diversity and Inclusion.

### **Goal A. Metro convenes and supports regional partners to advance racial equity.**

Metro works in collaboration with Local Governments and Department of Environmental Quality (DEQ) to advance equity outcomes at the local, regional and state level. Since the Recycling Modernization Act is not expected to be fully implemented until 2027, Metro is working with DEQ to identify opportunities to leverage Metro's role and technical expertise to make progress and/or help inform elements of the new legislation. Additionally, Metro's planning efforts to improve requirements for Metro-licensed facilities receiving commingled recyclables can align with the Recycling Modernization Act.

### **Goal B. Metro meaningfully engages communities of color.**

Communities of color will be engaged during the development, adoption, and implementation of new requirements for Metro-licensed facilities that receive commingled recyclables. As part of development, the Metro project team has shared an overview of this project and incorporated feedback from the community representatives on the committee that advises the Metro Council on implementation of the 2030 Regional Waste Plan, the Recycling and Waste Advisory Committee (RWAC). This project team intends to present and then welcome feedback from both RWAC and CORE two times before initiating a formal adoption process for new requirements with Metro Council. The project team is also seeking to develop relationships with labor organizations that are connected to the solid

waste industry and are working towards environmental and racial justice. During the formal adoption process, the project team will promote inclusion and access to Metro Council work sessions, public comment opportunities, public hearings and information on the Metro website. As WPES procedures for meaningfully engaging communities of color during the development, adoption and implementation of new facility requirements are updated, this project will seek to incorporate those improvements.

### **Anticipated racial equity benefits (positive) and impacts (negative) of facility license requirements under development**

The new requirements that will be considered are expected to have positive impacts for communities of color domestically and internationally. **New workforce equity reporting requirements (wages, benefits, and demographics)** support Metro's efforts to create data-driven policies and programs to ensure that the garbage and recycling industry pays living wages, benefits, and supports diversity. National data indicates that there is work to be done to improve equity in this sector, from removing barriers to employment to ensuring all jobs are good jobs.<sup>1</sup> **New inbound quality requirements** reduce the amount of trash in recyclables hauled to Metro-licensed facilities and consequently are expected to reduce worker injuries from needles and other hazardous materials common on the sorting line. Metro's efforts to ensure responsible recycling can be informed by having more detailed, accurate, and verifiable data on where the region's recyclables are going through **improved destination data reporting requirements**.

The cost to make improvements to the regional recycling system may impact the prices paid for services in the region. Facilities may experience increases in the cost of doing business in order to comply with each of the requirements under development. Facilities could decide to pass on these costs by increasing what they charge hauling companies to drop off recyclable material. Since local governments consider hauling companies' costs when setting the residential garbage and recycling bill, these increases in hauling companies' costs could be reflected in increases in the residential garbage and recycling bill but has the potential to be mitigated through the implementation of the Recycling Modernization Act

### **ATTACHMENTS**

["Secret Life of our Stuff: Part 3: What CAN go in the recycling?" from the 1:50 mark to 3:57.](#) *This Metro video includes relevant footage of Material Recovery Facilities in operation. The original audience is middle school and high schoolers.*

[Metro Material Recycling Facility \(MRF\) requirements project website](#)  
[Flyer on Plastic Pollution and Recycling Modernization Act](#)

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<sup>1</sup> Leif, Dan. 2021. 'There is no diversity': The racial inequities in recycling leadership. Resource Recycling; <https://resource-recycling.com/recycling/2021/02/02/there-is-no-diversity-the-racial-inequities-in-recycling-leadership/>