

Extended Producer Responsibility

Frequently Asked Questions

Note: The document is up to date as of March 2025

What is Extended Producer Responsibility?

The goal of EPR is to encourage the use of less packaging and more recyclable materials. EPR legislation works by levying fees on the use of packaging, which incentivizes material reduction and the use of recyclable substrates and formats.

Why would a state pass an EPR bill?

Currently, states and municipalities are responsible for funding and managing waste services. Recycling rates are low for a variety of reasons including outdated infrastructure, poor consumer education, and an increase in hard-to-recycle packaging formats. To increase recycling rates, EPR shifts the financial, and sometimes operational, waste management responsibilities from municipalities to the producers of packaging by levying fees on the use of packaging. These fees fund recycling infrastructure and education and can be designed in a way to incentivize easier-to-recycle packaging formats.

What makes a packaging format hard to recycle?

Packaging formats can pose challenges to recyclers for a variety of reasons:

- **Mixed materials**, like multilayer chip bags, are difficult or even impossible to separate in existing mechanical recycling infrastructure
- **High contamination rates** with nonrecyclables such as food or mixed materials waste reduce the quality, and therefore the sale price, of the resulting recycled content
- **Small items** like caps and cosmetics can literally fall through the cracks of recycling machinery and are therefore not captured in the recycling process
- **Low resale value** of recycled material outputs can make certain formats less profitable for recyclers

Where has EPR for packaging been passed?

Oregon, Colorado, California, Maine and Minnesota have passed EPR bills. Maryland and Illinois have passed needs assessment or “study bills” to assess whether EPR is a good fit for their states. Other states are expected to pass EPR in the coming years, such as Washington and New York. EPR has existed for years, and even decades, in other jurisdictions such as Canada and Europe.

Where will EPR be passed next?

EPR is being passed in coastal states and the Great Lakes region to counter pollution which negatively affects local industries and tourism. To stay up to date on the movement of EPR bills through state legislatures, see the [Sustainable Packaging Coalition's EPR Tracker](#).

Who pays the EPR fees?

Remember the goal of EPR is to encourage the use of less packaging and more recyclable packaging. To achieve this goal, fees are paid by the entity, most often the brand owner, who decides what packaging to use. Supply chains can be complicated, so refer to legislation and [guidance](#) on who is the producer is different scenarios.

Ex. A blender company sells a blender in a box with foam inserts. The blender company pays the EPR fees for the box and the foam inserts, even if they did not do the packaging manufacturing or packing. If an ecommerce company adds an overbox and voidfill in order to ship the blender, the ecommerce company pays the EPR fees for the overbox and the voidfill. The blender company is still responsible for the primary box and foam inserts.

Extended Producer Responsibility

Frequently Asked Questions

What if the product is packaged in a non-EPR state? Is there still a fee?

The location where the packaging was manufactured and the location where the product is packaged are not relevant in EPR. Packaging used for any product sold into an EPR state will have a fee. See [CAA's guidance](#) for more information and examples.

Ex. A bottle is made in Pennsylvania (a non-EPR state), filled with sunscreen in Texas (a non-EPR state), and sold at a gas station in California (an EPR state). The sunscreen brand owes EPR fees to California for the bottle.

Ex. A bottle of sunscreen is ordered by a Californian via ecommerce and the sunscreen bottle is packed in a mailer in Nevada (a non-EPR state). Because the bottle and mailer have been sold into an EPR state, the sunscreen company owes fees on the bottle and the ecommerce company owes fees on the mailer.

Will fees change over time?

Yes, for example, Oregon will update its fee schedule "annually at minimum to reflect changes to producer supply tons, system operations and costs" ([Oregon Program Plan, 194](#)). Fees in other states will be reviewed at a frequency outlined in legislation. Fees may go up or down as recycling rates change, as more producers register, or as producers are expected to take a larger financial responsibility as determined in legislation.

What are the fees used for?

Generally, fees are used to fund the development of recycling infrastructure and consumer recycling education, and the program's administrative costs. Some states may adjust this structure as they see fit. For example, along with the "typical" fee collection and disbursement, [California has also established the Plastic Pollution Mitigation Fund](#), to which the PRO must remit \$500M per year for 10 years to support the removal of plastic pollution in the environment.

Who enforces/administers EPR?

The state works with a non-governmental organization called a producer responsibility organization (PRO) to create the plan, collect data and fees, and distribute funds for EPR. In the U.S. only one PRO has emerged – the Circular Action Alliance (CAA). The CAA is a non-profit founded by 20 of the world's largest CPG and retail companies. The CAA has been formally selected as the PRO in Colorado, Oregon, California, Maine, and Maryland. By having a single PRO, reporting and compliance is streamlined across states.

Does EPR vary between states?

The laws for each state vary. Thus, exemptions, definitions, fee rates, and plans will all differ.

How expensive are the fees?

A draft fee schedule for Oregon covered materials was released in December 2024 in the third and final approved program plan. These fee ranges can help producers budget for EPR fees ([see pages 198-202](#)). Finalized fees will not be released until July – after Oregon reporting data is due March 31st, 2025. Colorado also released a high level draft fee schedule in their first program plan submission in February 2025 ([Circular Action Alliance - Colorado Plan Proposal](#)) (note this plan has not been approved by the state). Finalized fees will not be released until October 2025.

How are companies expected to report this information?

The Circular Action Alliance has outlined [different acceptable methodologies](#) for reporting packaging usage. Some companies may opt to track packaging consumption through procurement or operations records. Others may look at their bills of materials and multiply those materials by units sold. Companies will likely have to work with their supply chain to properly track the weight, quantity, and materials of packaging used.

Extended Producer Responsibility

Frequently Asked Questions

What happens if you don't report?

Oregon and Colorado EPR bills require the CAA to publish a public, searchable registry of registered producers and whether they are in good standing with CAA. If CAA identifies a company which should likely be registered as a producer but is not, they will reach out to that company. Companies which appear to be underreporting or are late in submitting data or fees will have 90 days to correct the action before the issue is escalated to the state agency, where back paying fees with interest and late penalties is possible.

How should I adapt my packaging strategy to minimize EPR fees?

EPR fees will increase total cost of ownership for all packaging types. In your effort to reduce EPR fees, perhaps by switching to lower-fee substrates, be mindful of the total cost of ownership: material costs, throughput, labor, warehousing, freight, damages, and brand image. By balancing these factors, including EPR fees, you can find the packaging solution that balances your operational, financial and sustainability needs. Contact your Pregis representative to review the performance and cost benefits of your packaging options.