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Beauty Packaging Producers: July Marks Registration Deadline With PRO In Three States

Extended producer responsibility (EPR) programs mandate registration with a producer responsibility organization (PRO)

by Eileen Francis

Companies considered producers of single-use packaging in Oregon, Colorado and California must register with Circular Action Alliance, the leading (and currently only) producer responsibility organization, by 1 July 2024 under new state recycling laws.

July 2024 will be a significant month for the US cosmetics industry.

Not only will the Food and Drug Administration begin enforcing facility registration and product listing requirements under new cosmetics regulations; July also is the deadline for companies to take critical action to prepare for new state laws for extended producer responsibility (EPR) related to packaging.

Companies considered producers of single-use packaging in Oregon, Colorado and California must register with the leading producer responsibility organization (PRO) overseeing EPR administration, Circular Action Alliance (CAA), by 1 July 2024.

CAA, a Washington, D.C.-based organization selected as the sole PRO in Colorado and California and the only paper and packaging PRO to submit a program plan in Oregon, set the 1 July deadline to provide it and clients sufficient time to prepare for the launch of the state programs, starting with Oregon in July 2025, then Colorado in January 2026 and California in January 2027.

Maine, which passed an EPR law in 2021 and is working on regulations to define the policy, will

not choose a primary PRO until 2026. CAA was also chosen for PRO by Maryland, though the state has not yet passed proposed EPR legislation. Six to nine other states are assessing proposals “in various stages,” according to the Independent Beauty Association, which held dedicated sessions on EPR at its recent Cosmetics Convergence Spring Symposium.

EPR schemes adopted by states and municipalities require producers of consumer packaging, including personal care, to pay fees to PROs that use the revenues to expand recycling and consumer education. That excludes producers who qualify for an exemption or that intend to submit an individual compliance plan under applicable law. Oregon passed its EPR law in 2021 and California and Colorado in 2022. (Also see "[Independent Beauty Association Apprehensive About Patchwork of State Recycling Bills](#)" - HBW Insight, 2 Feb, 2022.)



Registration with CAA “is essentially a contract form you’re providing us with contact information and a primary contact so that we are then able to follow up with you and make sure that we can start the ongoing conversation about additional steps towards compliance over the next couple of years,” said John Hite, senior associate at Clear Strategy, Inc., a consultancy leading development of CAA.

CAA is a non-profit formed by 20 consumer products companies including The Procter & Gamble Co., Colgate-Palmolive Co., L’Oreal SA, SC Johnson, The Clorox Company, and retailers Target and Walmart. “These companies are united in their vision to create a circular economy for paper and packaging across the United States,” CAA says.

CLEAR STRATEGY, INC.'S JOHN HITE

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Hite says PROs have two primary functions upstream. First, they work with producers to categorize their data for reporting, and then they develop a fee schedule, “which producers use to calculate out what their fee under the system will be,” said Hite.

“Once those fees are collected by the PRO, the PRO then uses those funds to fund the operation of the program, which is generally guided by what’s called a program plan,” outlining “soup to nuts how the PRO is going to go about developing and implementing the recycling program on behalf of producers,” said Hite. The PRO will then submit the program plan to the relevant government agency for approval.

Registration Process

The registration process requires filling out a Covered Producer Registration Form that confirms the company is an obligated producer based on its understanding of legal definitions and includes producer’s legal business name, states in which the company is likely to be considered an obligated producer, and a primary contact’s email address and phone number.

The contact information allows CAA “to notify your company when it is time to accept the applicable requirements of CAA’s producer responsibility plans.”

Using the information provided, CAA will compile the requirements for what needs to be reported and provide that to producers, who must in turn submit their data to CAA by March 2025 for Oregon, and August 2025 for Colorado and California.

CAA is developing guidance to provide reporting instructions to producers. Once the Covered Material Category (CMC) list for each state is completed – likely this summer for California and Oregon – CAA will provide detailed guidance materials on those.

Additionally, CAA will soon start development of a producer reporting portal, expecting that it will be ready to receive producers’ data by the first quarter of 2025. “Once finalized, the CMCs will be added as reporting categories in the portal,” according to CAA.

“The goal of having producers report their data by March of 2025 is to inform our fee schedule so that our fee schedule can be as accurate as possible to make sure that the fees that we are charging all of you are as accurate as possible,” said Hite. Fees will vary by covered material or packaging type. “The variation reflects the differences between each material in terms of (but not limited to) its quantities, cost to recycle and recycling performance,” CAA explains in slides presented at the meeting.

CAA expects producers to pay fees by July 2025 for the program in Oregon, by January 2026 for Colorado, and by January 2026 for California in alignment with state law requirements.

State Harmonization

Harmonization across states also is a priority at CAA.

“CAA from its structure is developed as a national shared services organization at the national

level that will provide primarily producers with a single reporting portal for purposes of compliance, but also gives producers and CAA an opportunity to be involved across the states and try and drive as much harmonization between state programs as possible, recognizing that, at the end of the day, the statutes are what they are and there are some differences between states,” said Hite.

“But on items like eco-modulation and the fee structure and reporting categories, CAA is working as much as possible in rulemaking processes to make sure that there is harmonization,” he added.

In a separate Q&A at the IBA conference, Michael Washburn, principal at Washburn Consulting who advises producers preparing for the EPR laws and who was involved in several of the laws’ development, emphasized the importance of registering with a single PRO, which at least for now will be CAA.

While the four state laws that have been enacted vary slightly, “they are 90% the same. But you get into things like business to business, secondary packaging, tertiary packaging, food ware, it’s not covered in all places,” Washburn said. “If you’re a producer, you need to understand what you’re obligated for in each of the states,” he said.

“The wisdom of having a single PRO is that at least you only have one place to go to register. There are some who advocate for multiple PROs and that could still happen. Oregon allows for additional PROs but no others have signed up,” he said. “CAA for now is the only game in town, and we want to keep it that way for a while because we want people to get into the system.”

While covered material categories will be different between the states, “at least you can go to one source, bring your data in, go to the portal and drop the necessary data in based on those guidelines.”

US Congress has been mulling what the federal government’s role should be in overseeing EPR programs. In March, the US Senate Committee on Environment and Public Works held a hearing to examine EPR responsibility policies for consumer packaging, weighing the benefits and challenges of state programs. (Also see "[US Senate Considers State-Level EPR Recycling Programs While Mulling Federal Role](#)" - HBW Insight, 14 Mar, 2024.)

Asked his opinion on the likelihood of passage of a federal EPR law, Washburn said it is “low,” as neither of the two political parties will want preemption of state laws in this area and both have too much on their plate right now regardless. “EPR is not on anyone’s shortlist. You will not see this in this Congress, and I think it’s unlikely you will see it in the next Congress.”