

Retailers Submit Comments on EPA Waste Management Proposals

Arlington, VA – The Retail Industry Leaders Association (RILA), the Food Marketing Institute (FMI), the National Association of Chain Drug Stores (NACDS), the National Grocers Association (NGA), and the National Retail Federation (NRF), and their members (collectively, the Retail Associations) submitted comments last week in response to proposals by the Environmental Protection Agency (EPA) to update waste management regulations, that may impact the handling of unsold consumer products and pharmaceuticals by retailers.

The EPA's proposed <u>Hazardous Waste Generator Improvements</u> proposal and the proposed <u>Management</u> <u>Standards for Hazardous Waste Pharmaceuticals</u> attempt to address compliance challenges for retailers stemming from the Resource Conservation and Recovery Act (RCRA). Typically, RCRA applies to large scale manufacturing plants that generate more significant quantities of hazardous wastes, but EPA also applies RCRA to the very small percentage of unsold consumer products that may be recycled, reused or otherwise discarded from a retail store. Nearly all of these products are sold to customers and are either consumed or disposed of in their households, without additional regulation.

Specifically the proposed rules:

Allow a waste generator to avoid increased burdens of a higher generator status when generating large quantities of hazardous waste "episodically", or unexpectedly and infrequently. Such episodes may be the result of broken or damaged customer returns, theft or damage within the store, public dumping in trash receptacles or recalls of unusable products; and

Allow very small quantity generators to consolidate hazardous wastes from multiple locations at a "large quantity generator" site, such as a distribution center, thereby eliminating the disproportionate regulatory burdens of a higher generator status at store-level, provided certain conditions are met; and

Allow health care facilities to manage hazardous waste pharmaceuticals under tailored, sectorspecific regulations, and relax the requirements for managing empty pharmaceutical containers. EPA also solicits comment on potential amendments to the heightened "acute" hazardous waste classification for smoking cessation products, like low-concentration nicotine patches, gums and lozenges, which subjects retailers to additional in-store requirements.

"This is an important step forward and the Retail Associations welcome the opportunity to respond to these long-awaited proposals. Although portions of the proposals may offer some relief, the suggested frameworks fall short of easing the burden on retailers who want to manage unsold products in a more sustainable fashion, rather than discarding potentially useful or recyclable items." said Sue Pifer, vice president of compliance at RILA. "The Retail Associations again emphasize in their comments that most unsold consumer products and pharmaceuticals are <u>not</u> 'wastes', due to the fact that many are suitable for re-shelving, donation, recycling, liquidation or shipment back to vendors for credit. We look forward to continuing our work with the EPA to further the Agency's understanding of the unique challenges faced by the retail sector in reverse distribution."

Reverse distribution involves the removal and consolidation of consumer products and pharmaceuticals that are not sold in retail stores and is a long-standing business practice that is friendly to the environment and good for consumers. The practice pre-dates the arcane application of RCRA to retailers' reverse distribution operations.

In 2014, RILA led a coalition of retailers to explain the challenges of complying with RCRA, and some of the issues raised by the coalition were addressed in the proposed rules, released by the EPA in September 2015.

For more information on the proposed rules, visit here and here.

RILA is the trade association of the world's largest and most innovative retail companies. RILA members include more than 200 retailers, product manufacturers, and service suppliers, which together account for more than \$1.5 trillion in annual sales, millions of American jobs and more than 100,000 stores, manufacturing facilities and distribution centers.

Food Marketing Institute proudly advocates on behalf of the food retail industry. FMI's U.S. members operate nearly 40,000 retail food stores and 25,000 pharmacies, representing a combined annual sales volume of almost \$770 billion. Through programs in public affairs, food safety, research, education and industry relations, FMI offers resources and provides valuable benefits to more than 1,225 food retail and wholesale member companies in the United States and around the world. FMI membership covers the spectrum of diverse venues where food is sold, including single owner grocery stores, large multistore supermarket chains and mixed retail stores. For more information, visit www.fmi.org and for information regarding the FMI foundation, visit www.fmifoundation.org.

NACDS represents traditional drug stores and supermarkets and mass merchants with pharmacies. Chains operate more than 40,000 pharmacies, and NACDS' chain member companies include regional chains, with a minimum of four stores, and national companies. Chains employ more than 3.8 million individuals, including 175,000 pharmacists. They fill over 2.7 billion prescriptions yearly, and help patients use medicines correctly and safely, while offering innovative services that improve patient health and healthcare affordability. NACDS members also include more than 800 supplier partners and nearly 40 international members representing 13 countries. For more information, visit <u>www.NACDS.org</u>.

The National Grocers Association (NGA) is the national trade association representing the retail and wholesale grocers that comprise the independent sector of the food distribution industry. An independent retailer is a privately owned or controlled food retail company operating a variety of formats. The independent grocery sector is accountable for close to one percent of the nation's overall economy and is responsible for generating \$131 billion in sales, 944,000 jobs, \$30 billion in wages, and \$27 billion in taxes. NGA members include retail and wholesale grocers, state grocers associations, as well as manufacturers and service suppliers. For more information about NGA, visit <u>www.nationalgrocers.org</u>.

NRF is the world's largest retail trade association, representing discount and department stores, home goods and specialty stores, Main Street merchants, grocers, wholesalers, chain restaurants and Internet retailers from the United States and more than 45 countries. Retail is the nation's largest private sector employer, supporting one in four U.S. jobs – 42 million working Americans. Contributing \$2.6 trillion to annual GDP, retail is a daily barometer for the nation's economy. NRF's This is Retail campaign highlights the industry's opportunities for life-long careers, how retailers strengthen communities, and the critical role that retail plays in driving innovation. nrf.com