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AMERIPEN Testimony on Raised House Bill 7295

"An Act Concerning a Recycling Program for Paper and Packaging and Requiring Certain Municipal Solid Waste Management Goals"

Connecticut Joint Environment Committee
March 11, 2019

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Senator Cohen, Representative Demicco and Members of the Joint Environment Committee, thank you for the opportunity to comment on Raised Bill H.B. 7295 and offer AMERIPEN's perspective on this legislation and effective recycling policy for packaging.

AMERIPEN – the American Institute for Packaging and the Environment – is a coalition of packaging producers, users and end-of-life materials managers dedicated to improving packaging and the environment. We are the only material neutral packaging association in the United States. Our membership represents the diversity of the packaging sector, its supply chain, and end-of-life management partners. We focus on science and data to define and support public policy positions that improve the recycling of packaging materials---our comments are based on this rigorous research approach and rooted in our commitment to achieve sustainable packaging.

AMERIPEN supports the State's efforts to revise and evaluate their solid-waste plan and improve the management of packaging materials in the municipal waste stream. We recognize the State's recent efforts to develop a comprehensive materials management strategy and believe a focus on the full lifecycle of waste as well as the adoption of a toolbox of approaches to achieve diversion is the most effective approach to success.

However, AMERIPEN has concerns about Raised Bill H.B. 7295 which requires that the state implement a specific strategy to establish a statewide packaging and paper recycling program and industry-financed stewardship of that program. We ask you to consider the following issues, concerns and recommendations and refrain from adopting the current approach of Raised Bill H.B. 7295 in statute.

1. *The Senate Bill 233 Consumer Packaging Reduction Taskforce Concluded EPR is Not the Best Solution for Connecticut*

As the Committee knows, in 2016 there was a significant discussion of consumer packaging reduction, extended producer responsibility and other aspects of the changing volumes of the municipal solid waste stream in Connecticut. The result of extensive debate on these topics was the passage of Senate Bill 233, which convened the Taskforce to Study Methods for Reducing Consumer Packaging that Generates Solid Waste.

The Taskforce discussed and debated EPR and voted NOT to recommend pursuing this approach in Connecticut. A majority of the Taskforce agreed that EPR would not increase recycling, would not lead to lower costs for citizens of the state, and would not lead to greener packaging. To increase recycling, the Taskforce recommended expanding education programs and convenience for multi-family housing in Connecticut's largest cities.[1] As such, AMERIPEN believes that these approaches should be considered first, before mandating a massive product stewardship mandate, such as H.B. 7295

[1] Task Force to Study Methods for Reducing Consumer Packaging that Generates Solid Waste: Recommendations, https://www.cga.ct.gov/env/tfs/20170216_Task%20Force%20to%20Study%20Methods%20for%20Reducing%20Consumer%20Packaging%20that%20Generates%20Solid%20Waste/Final%20Report/Task%20Force%20to%20Study%20Methods%20for%20Reducing%20Consumer%20Packaging%20that%20Generates%20Soild%20Waste%20-%20Final%20Report.pdf

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2. *Packaging is not the most significant portion of the waste stream, and in fact prevents food and product waste*[2]

In context, it is important to note that, organic waste, not packaging, comprises the single largest component of Connecticut's waste stream at approximately 27 percent.[3] This portion of the waste stream is growing across the states. For example, in Minnesota the portion of the waste stream comprised of organics increased from 26% to 31% from 2000 to 2013.[4] Similarly, California has documented an increase in organics in the waste stream from 34.4% to 37.4% from 2008 to 2014.[5]

Pursuant to this bill's source reduction goal, we encourage the state to recognize the significant role packaging can play in reducing food waste. Packaging prevents critical product breakage and prevents waste from occurring before end products can reach retail shelves or consumers' homes. We caution that targeting packaging for an EPR program may inadvertently penalize innovations and opportunities to reduce food waste—a greater source of total tonnage and GHG emissions.[6]

3. *Flaws with Extended Producer Responsibility/Product Stewardship for packaging*

Extended Producer Responsibility (EPR) or product stewardship, as would be eventually mandated for plastic packaging under Raised Bill H.B. 7295, requires producers to take financial and management responsibility for products at the end of their life via product stewardship organizations (PSOs). This approach has not been proven as feasible or preferable in the U.S., and EPR has primarily been used as a funding mechanism to implement end-of-life materials management programs where no funding source has been previously available. In the European Union, for example, funding from EPR was used to implement the widespread implementation of recycling programs for packaging. Conversely, the US already has systems and infrastructure in place to handle traditional recyclables, and EPR has been used as a funding mechanism for hard-to-handle (HtH) materials such as paint and rechargeable batteries. Proponents of EPR cite its effectiveness in achieving three main goals (1) reduce costs to states, (2), incentive product design (3) increased collection.

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[2] Plastics Packaging and the War on Food Waste. https://www.plasticsmakeitpossible.com/plastics-at-home/food/prep-storage/plastic-packaging-and-the-war-on-food-waste.

[3] Connecticut State-Wide Solid Waste Composition and Characterization Study, Final Report. Prepared for the Department of Environmental Protection, Bureau of Materials Management and Compliance Assurance/Solid Waste Management Program (2010).

[4] 2015 Solid Waste Policy Report, Minnesota Pollution Control Agency, January 2016. https://www.pca.state.mn.us/sites/default/files/lrw-sw-1sy15.pdf

[5] 2014 Solid Waste Characterization Study, CalRecycle, December 2015. http://www.calrecycle.ca.gov/wastechar/

[6] Plastics Packaging and the War on Food Waste. https://www.plasticsmakeitpossible.com/plastics-at-home/food/prep-storage/plastic-packaging-and-the-war-on-food-waste;
Wasted: How America is Losing up to 40 Percent of Its Food from Farm to Fork to Landfill. NRDC Issue Paper. August 2012

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However, currently, there is no research available to help assess the impact of EPR in reducing costs to the State[7]. Because the systems operate independently and often face a multitude of contractual obligations, there has been no comprehensive study to date to ascertain effectiveness. Even within the European Union, the extent to which EPR fees cover net operational costs are highly variable.[8] The taskforce voted against the proposal partly because of a lack of data to prove program coordination, enforcement and awareness would reduce overall system costs.[9] If we look more recently at take-back programs for electronics, these programs are witnessing significant increases in costs as states impose unattainable recycling targets not in line with material coming back through the collection system; impose convenience standards that may not actually result in increased collection of e-waste but instead increase costs for manufacturers; or, in some cases, set pricing without any market influence or competition among service providers resulting in the highest program compliance costs in the U.S. What started as a promising solution is now becoming a cost-burden on both states and manufacturers.

The effectiveness of EPR on promoting "green design" is also unproven.[10] Noah Sachs notes that the "collective' approach to product stewardship 'pools' products and fees and therefore independent actors have no incentive to design differently than their peers. It's difficult to assess the role of EPR on "green design" in the EU as they also apply a toolkit of approaches to encourage environmental product design. According to US EPA data, there has been an 11% decrease in per capita packaging generation in the U.S. since 2000. During the same time period, per capita packaging generation has remained relatively constant in Europe, in spite of their EPR programs for packaging.

Additionally, packaging EPR programs, as envisioned this bill, do not send pricing signals to consumers because the cost is simply built into product pricing. This defeats the goal of using EPR to influence purchasing practices and more environmentally sustainable design.

Finally, local solid waste job losses would be guaranteed under Raised Bill H.B. 7295, since the all-encompassing responsibilities of the PSOs would take over local solid waste planning, litter prevention, education and service provision. With the PSO serving as a single contractor for services, efficiency of service provision would be critical and the diversity of approaches to solid waste in the State could not be retained. These impacts are real, and would significantly affect those workers that are employed in the diverse solid waste jobs in the State.

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[7] Miller, Chaz. "From Birth to Rebirth: Will Product Stewardship Save Resources?" American Bar Association. Section of Environment, Energy and Resources. 2011.

[8] Packaging and Packaging Waste Statistics 1998-2011. Europen. 2014; http://www.globalpsc.net/european-experience-on-extended-producer-responsibility-epr/

[9] United States, Resource Conservation Committee, Choices for Conservation: Final Report to the President and Congress, 113-120, (EPA 1980).

[10] Packaging and Packaging Waste Statistics 1998-2011. Europen. 2014; http://www.globalpsc.net/european-experience-on-extended-producer-responsibility-epr/

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4. Focus on potential public/private partnerships which can increase the recovery of all recyclable materials—including packaging

Something that the Committee should also consider is that Connecticut recognizes the need to engage in public–private partnerships to help fund and support an increase in recovery and decrease in diversion. Towards this objective, we encourage the State and DEEP to continue to explore two significant initiatives led by the private sector and designed to help increase and finance recycling systems across the State:

i. ***The Recycling Partnership*** works to increase access and efficacy of municipal recycling programs. They also offer financial support to place large recycling carts in communities which have been proven to increase the amount of recyclable collected. As the State seeks to increase access to single stream recycling, the Recycling Partnership can be an effective resource in identifying best practices and funding support.

ii. Funded by a consortium of private brands, ***The Closed Loop Fund*** provides no-interest loans to communities and low-interest loans to private entities to help increase the capacity of recycling systems. They are also currently exploring a future proposal to fund the development of an organics collection infrastructure.

Both programs are demonstrating significant impacts on increasing recovery within an aging and challenged recovery system.

***5.* Conclusion**

AMERIPEN appreciates the opportunity to comment on proposed Raised Bill H.B. 7295. We urge the Committee to avoid approaches, such as EPR, that merely shift costs and do not change consumer behavior or demonstrate improvements to solid waste management outcomes. AMERIPEN asserts that there are more comprehensive and less disruptive ways to addressing the issue of consumer packaging materials in the waste stream, and therefore, respectfully requests that the Committee oppose the passage of Raised Bill H.B. 7295.