World Wildlife Fund

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Senator Brian Feldman, Chair Senator Cheryl Kagan, Vice Chair Senate Education, Energy and the Environment Committee Maryland General Assembly Miller Senate Office Building, 2 West Wing Annapolis, MD 21401

RE: Support with Amendment for SB022 – Environment – Reducing Packaging Materials – Producer Responsibility

Dear Chair Feldman, Vice-Chair Kagan and Members of the Committee:

Thank you for the opportunity to comment on SB0222, an act to establish Extended Producer Responsibility in the State of Maryland. For more than 60 years, World Wildlife Fund (WWF) has worked to help people and nature thrive. We express our support for this legislation and offer some proposals herein on how it might be strengthened as you work to advance it.

As the world's leading conservation organization, WWF works in 100 countries and at every level, collaborating with people around the world to develop and deliver innovative solutions that protect communities, wildlife, and the places in which they live. WWF works to help local communities conserve the natural resources they depend upon; transform markets and policies toward sustainability; and protect and restore species and their habitats. Our efforts ensure that the value of nature is reflected in decision-making from a local to a global scale.

WWF connects cutting-edge conservation science with the collective power of our partners in the field, more than 1.3 million supporters in the United States and 5 million globally, and our partnerships with communities, companies, and governments.

Today, human activities put more pressure on nature than ever before, but it's also humans who have the power to change this trajectory. Together, we can address the greatest threats to life on this planet and protect the natural resources that sustain and inspire us.

At WWF, we believe in a future where plastic no longer enters nature. Plastic can be a valuable material – it protects our food, our homes and even our bodies, as we have seen during the COVID-19 pandemic. However, plastic is often misused and mismanaged, leading to high rates of landfilling and leakage into nature. Extended Producer Responsibility (EPR) has the potential to reimagine the way we produce and use packaging, especially plastic packaging and products, so that we continue to use, reuse, and recycle our materials to their fullest potential.

Maryland has a proud history of protecting our environment, and Extended Producer Responsibility could continue that tradition.

Together with American Beverage Association, we have produced principles for EPR that create positive environmental and business outcomes. Often, these outcomes seem oppositional, but EPR has the potential to tie business practices with better environmental outcomes, thereby giving the producers of plastic and packaging a stake in the performance of the system. As our waste management and recycling system stands, there is little incentive to do better. We can change that with EPR.

In our <u>Joint Principles for Reducing Materials Footprint and Achieving</u> <u>Circularity</u>, we outline a few key considerations. First, fees collected under EPR frameworks must only be used to advance or invest in the recycling and collection infrastructure. We believe that fees collected -- based on the netcost of recycling materials introduced to the market plus an ecomodulated fee for disrupting materials or formats – need to stay within the recycling system. We cannot expect to create a collection and recycling system that incentivizes the collection and reuse of materials if it is not adequately and fully funded. To best ensure that collected fees are used for these purposes, the Producer Responsibility Organization (PRO) should hold and disburse these funds, with strong regulatory and public oversight of their collection and disbursal.

WWF appreciates the inclusion of a needs assessment in the legislation. It is important that producers, consumers, municipalities, and oversight officials know the complexities of recycling in Maryland. A comprehensive needs assessment will enable the creation of an adaptable plan and create a baseline for measuring progress throughout the State.

Similarly, we appreciate the legislation outlining the need for goals on use of post-consumer recycled content, recycling rates, reuse rates, and greenhouse gas emissions. We hope the needs assessments can inform time-bound targets for each of these important goals.

WWF appreciates the inclusion of a 25% reduction in packaging waste target. While the details of the target are somewhat vague, we hope it can inspire action to remove problematic and unnecessary materials from our products and packages. The target should be evaluated by PROs and the Advisory Council based on weight of packaging introduced to the market and should not include waste-to-energy as a waste-mitigation tactic. **Any progress** made toward the 25% reduction should be evaluated by using the PRO's total weight of virgin packaging introduced to the market when the PRO is formed, as the denominator. This would incentivize both outright reduction of materials that are problematic or unnecessary, but also allow for the greater use of recycled content in packaging. Often, packaging companies use lightweighting to reduce use of materials, often at the expense of a product's recyclability. Focusing strictly on weight-based reduction calculation can skew desired outcomes, where less material is used overall but less materials are recyclable.

WWF also appreciates the ability for a PRO to establish a deposit return system within the State. **Deposit Return Systems have been proven to advance recycling rates**, and we hope that unredeemed deposits will be used solely for the purpose of advancing recycling and redemption infrastructure.

The inclusion of an Advisory Council in the State's review of plans put forward by PROs is incredibly crucial to the success of the system. **Public oversight and accountability are integral to the success of any plan.**

Finally, we appreciate the work of this Committee and the House Environment and Transportation Committee to evaluate the entire suite of solutions needed to address plastic pollution, including environmental justice, mandated use of post-consumer recycled content and the phase-out of problematic and unnecessary materials. For more information on World Wildlife Fund's positioning on policies to advance a circular economy, please see our policy guidance.

Thank you again for the opportunity to provide this testimony. WWF looks forward to working with you and other members of the Maryland General Assembly to develop the principles in SB0222 and its companion HB0284 on their way to being enacted into law.

Sincerely,

Anthony Tusino

Senior Program Officer, Plastic Policy

World Wildlife Fund