

February 7, 2024

Dear Chair Korman and members of the Environment and Transportation Committee,

On behalf of the [Association of Plastics Recyclers \(APR\)](#), I am submitting comments as **favorable with amendments for HB168 - Environment – Plastic Products – Postconsumer Recycled Content Program.**

The APR is a U.S.-based, international non-profit association and the only North American organization focused exclusively on improving the recycling of plastics. APR members are the entirety of the plastics recycling industry from design to collection to recovery to remanufacturing. Plastics recycling is what APR does every day. APR understands the challenges facing the industry and the solutions needed to scale recycling effectively as a key solution to reduce plastic pollution and move toward a more sustainable, circular economy.

THIS BILL WILL CREATE STRONGER MARKET DEMAND TO HELP EXPAND PLASTICS RECYCLING

The APR was the first plastics-related organization to publicly support mandatory recycled content legislation in 2006, and the APR continues to champion these policies. Using post-consumer resin (PCR) content in plastic packaging is [one of the most effective ways to reduce the environmental impact of the packaging](#). This bill will also help build and stabilize end markets for recycled plastics. This stronger market demand helps recyclers to invest in the needed infrastructure to grow plastics recycling. This, in turn, can support the expansion and stability of community recycling programs.

While recycling generates substantial environmental benefits, it is first and foremost a business and recyclers compete to sell recycled content as a replacement to virgin plastic. It is challenging for recyclers to invest more toward improving and expanding plastics recycling with the current volatility in recycling markets and the low costs of virgin plastic production. The economics must shift in favor of recycled plastics, and away from virgin plastics, in order for meaningful change toward the circularity of plastics. The APR is actively supporting PCR bills in states as a top policy priority to

improve plastics recycling in order to reduce plastic pollution, reduce greenhouse gas emissions, and create green jobs.

BOTH DEMAND AND SUPPLY POLICIES ARE NEEDED TO IMPROVE PLASTICS RECYCLING

The proposed PCR bill addresses the need for stronger market demand for recycled plastics. Complementary policies are also needed to increase the supply of recycled plastics collected from households and businesses. Maryland took a strong step toward increasing the collection and supply of recyclable plastics with the passage of SB222 in 2023, which created a Needs Assessment study that will build toward an Extended Producer Responsibility (EPR) program for Packaging. There are also now four states with EPR for packaging, covering 15% of the US population, to help increase the supply of recycled plastics, and the APR strongly encourages Maryland to adopt EPR for packaging in the 2025 session. The EPR program and this PCR policy are excellent companions to address both the supply and demand solutions needed to improve plastics recycling; it's a both-and, not either-or.

SUGGESTED REVISIONS TO STRENGTH THE PROPOSED BILL

The APR would like to offer these suggestions to refine the policy to align with current market conditions and best practices in similar US state policies. APR staff are available at your convenience for questions and more information.

1. Revise the PCR rates for rigid food containers.

The APR supports ambitious and achievable targets to increase PCR. However, there are additional complexities to adding PCR to food-contact packaging, and more time will be needed to reach the proposed rates. The APR would recommend revising the proposed rates in line with other policies. For example:

- The European Union is [finalizing regulations for recycled content rates](#) for food-contact packaging. The current proposed targets are 10% by 2030.
- Similarly proposed PCR regulations in Washington state proposed for 10% PCR in thermoform containers by 2031, a similar goal to the EU.
- Washington state passed PCR targets in household care products based on [15% \(2025\), 25% \(2028\) and 50% by 2031.](#)

The following chart illustrates how the EU is differentiating between food-grade and non-food-grade packaging, as well as between types of plastics, because of the complexities in adding PCR to different polymer applications.

Table 2 – Proposed targets for recycled content recovered from post-consumer plastic waste, per unit of packaging (minimum percentage)

Type of packaging	From 1 January 2030	From 1 January 2040
Contact sensitive packaging made from PET	30 %	50 %
Contact sensitive packaging made from plastic materials other than PET (except single-use plastic beverage bottles)	10 %	50 %
Single-use plastic beverage bottles	30 %	65 %
Other packaging	35 %	65 %

2. Set more specific targets by polymer type and a plan to revise over time.

As noted in the draft EU regulations above, the use of PCR varies by the type of plastic as well as the application. The use of rPET in beverage containers is the most mature, followed by the use of HDPE in personal care products. Each plastic resin has its own challenges with both packaging design and available supply of recycled plastics. Setting more specific rates will help drive innovation in all packaging formats. For example, this bill could propose separate rates for PP and PET food containers, or the bill could give authority to the state agency to set specific targets based on further stakeholder input. In addition, given the dynamic nature of packaging design and recycling programs, it is recommended to reconsider setting PCR content goals past 2035. There could be a revision process at this time by the agency of applicable targets and setting of revised goals through rulemaking.

3. Expand the scope to non-food-contact packaging and durable goods to achieve greater environmental and economic impacts.

Requiring recycled content in a wider range of plastic products beyond just food packaging will provide greater environmental benefits and support a more robust recycling system. The APR supports expanded categories including durable goods as listed below. It is critical to support a diversity of end markets for recycled plastics for the economic viability and long-term stability of plastics recycling. There is also robust

opportunity to expand the use of recycled plastics into durable products that do not face the more stringent requirements for food-contact recycled plastics.

Durable products represent a large opportunity to replace virgin plastic with recycled plastics. In addition, durable products can use larger amounts of PCR and have more tolerance for mixed color and non-food grade recycled plastics. Durable goods suitable for more PCR include pallets, composite railroad ties and decking, storage containers, crates, drainage pipe, carpet, and many other applications. Here are several examples of how durable goods have been incorporated into other PCR programs:

- Oregon requires [10% PCR in roll carts](#), i.e. trash and recycling carts.
- [New Jersey requires recycled content in rigid plastic containers](#), which includes products such as 5-gallon buckets used for construction, paint, or other materials. The NJ rates are, on average, at least 10% recycled content starting 2024, increasing by 10% every three years thereafter, to 50% by 2036.
- [Federal procurement guidelines](#) promote PCR in a wide range of construction, transportation, household, and other goods.

PCR rates for durable goods can be set by material categories, [i.e. 80% for non-pressure pipes as done by the Federal guidelines](#), or by a more basic overall rates and dates approach with reasonable exemptions for products unable to comply for other regulated factors. The APR would be happy to discuss this opportunity further with the bill sponsors and stakeholders.

MOVING FORWARD

Thank you for your leadership to improve plastics recycling. APR staff are available at your convenience to discuss these comments and share further technical, regulatory, and policy information upon request. Please contact Kate Bailey, Chief Policy Officer, at katebailey@plasticsrecycling.org.

Sincerely,

A handwritten signature in black ink that reads "Kate Bailey".

Kate Bailey
Chief Policy Officer
Association of Plastic Recyclers (APR)