

HB0036 - Balt Sustain Commn.pdf

Uploaded by: Avins, Miriam

Position: FAV

BALTIMORE COMMISSION ON SUSTAINABILITY
People ♦ Planet ♦ Prosperity

February 5, 2021

Delegate and Committee Chair Barve
Members of the House Environment and Transportation Committee

RE: **Support** for HB0036: Packaging, Containers, and Paper Products – Producer
Responsibility

Dear Chair Barve and Members of the House Environment and Transportation Committee,

We are writing in support of HB0036: Packaging, Containers, and Paper Products – Producer
Responsibility.

The Baltimore Commission on Sustainability is a body appointed by the Mayor to oversee the
creation and implementation of the Baltimore Sustainability Plan. The 2019 Baltimore
Sustainability Plan addresses a wide range of social, economic and environmental goals for the
City, and it does so through an equity lens.

The Baltimore Commission on Sustainability has a strong interest in the success of HB0036,
which forwards the 2019 Sustainability Plan's Waste and Recycling chapter by increasing the
amount of trash diverted from landfills and incinerators to recycling programs (Strategy 1). This
is a key equity concern, as our incinerator contributes to asthma in overburdened neighborhoods.
In addition, recycling, done right, can create good local jobs.

We urge the Committee to support HB0036.

Sincerely,

Miriam Avins
Mia Blom
Co-chairs, Commission on Sustainability

Cc: Delegate Lierman

HB0036-FAV-DTMG-2-9-21.pdf

Uploaded by: Bartlett, Olivia

Position: FAV



Olivia Bartlett, Co-Lead, DoTheMostGood Maryland Team

Committee: Environment and Transportation

Testimony on: HB0036 – Environment – Packaging, Containers, and Paper Products – Producer Responsibility

Position: Favorable

Hearing Date: February 9, 2021

Bill Contact: Delegate Brooke Lierman

DoTheMostGood (DTMG) is a progressive grass-roots organization with more than 2500 members who live in a wide range of communities in Montgomery and Frederick Counties, from Bethesda near the DC line north to Frederick and from Poolesville east to Silver Spring and Olney. DTMG supports legislation and activities that keep all the members of our communities healthy and safe in a clean environment. DTMG strongly supports HB0036 because it will help Maryland reach its greenhouse gas (GHG) reduction goals, which is critical in our fight against the existential threat of climate change, and will reduce pollution in our environment.

Climate change due to global warming caused by GHG emissions is already here in Maryland. Maryland has set GHG reduction and renewable energy goals to mitigate the effects of climate change. Reducing waste is one of the quickest, easiest, and most effective steps a community can take to reduce its GHG emissions and reduce pollution of the environment by waste plastic, paper, and other materials. Producer responsibility laws such as HB0036 create financial incentives to encourage manufacturers to design environmentally friendly products by holding producers responsible for the costs of managing their products at end of life.

Producer responsibility is based on the principle that manufacturers (usually brand owners) have the greatest control over product design and marketing and have the greatest ability and responsibility to reduce toxicity and waste. Producer responsibility engages manufacturers in the entire lifecycle of their products, including end-of-life disposal. A shift to producer responsibility is necessary to enable a circular economy, since only producers can make safer products in the first place. Producer responsibility shifts the cost of disposal from municipalities back to the producers. Producers that are responsible for managing their products at the end of their useful life have an incentive to design products that don't use toxic and polluting ingredients, even if safer substances are more expensive upfront, to use recyclable materials, and to design products for easy disassembly to retrieve the components that still have value when a product is no longer useful. Without this incentive, economics will encourage producers to use materials with the cheapest upfront costs and externalize the cost of safe disposal. This often results in the development of nonrecyclable products and products for which there are no truly responsible disposal options.

Recycling programs are managed and financed primarily at the local level, either funded by taxpayers or by user fees on households. By transferring the costs of recycling to the product manufacturers, producer responsibility policies like those proposed in HB0036 can help:

- provide more convenient recycling programs for residents
- improve recycling rates
- drive more environmentally sustainable products and packaging
- reduce costs to local governments.

Producer responsibility will be new in Maryland, but it is not new in the US and around the world. There were more than 115 EPR policies across 33 states in the U.S in 2019, up from fewer than 10 in 2001. These policies target 14 different types of products, focusing on bulky or hard-to-recycle materials, such as electronics, paint, mattresses, carpet, fluorescent lighting and pharmaceuticals. Producer responsibility policies and programs have been in place in Europe since the early 1990s and are well established in Europe, Canada, Japan, and South Korea for a wide range of products. In Europe many countries have PPP recycling rates above 70% or 80%., whereas the U.S. recycles only 50% of PPP materials and as little as 8% of plastics. Producer responsibility programs are even beginning to be implemented in less developed or emerging countries, particularly in Latin America and Asia. It's time for Maryland to get on the producer responsibility bandwagon.

Increasing our recycling rate will reduce GHG emissions, protect our air and water, and create jobs. Yet the investment needed to expand and improve our recycling system cannot and should not be solely the responsibility of local or state government or waste haulers. Consumer goods companies need to help finance recycling infrastructure, operations, and education programs to increase the recycling of their products and packaging.

Producers may be ready for this, too. TV commercials for the “every bottle back” campaign by Coca-Cola, PepsiCo, KeurigDrPepper, and the American Beverage Association (everybottleback.org) have recently begun airing in Maryland. This circular economy campaign encourages consumers to recycle plastic bottles with their caps so the companies can make new bottles without new plastic.

A producer responsibility policy for packaging and paper products in Maryland will provide the opportunity to create an efficient, financially sustainable collection system for recyclable materials such as plastic bottles, aluminum cans, glass bottles, cardboard, and printed paper.

Therefore, DTMG strongly supports HB0036 and urges a **FAVORABLE** report on this bill.

Respectfully submitted,

Olivia Bartlett
Co-lead, DoTheMostGood Maryland Team
oliviabartlett@verizon.net
240-751-5599

HB 36_EMD_Fav.pdf

Uploaded by: Breimann, Kate

Position: FAV



**HB 36 - Environment – Packaging, Containers, and Paper Products – Producer Responsibility
Environment and Transportation Committee**

February 9, 2021

Position: Favorable

We're barely one month into session, and you have heard multiple bills that aim to alleviate the plastic pollution crisis and how to deal with our overflowing landfills and toxic incinerators. It is no secret that we have a waste problem in this state and country - **in fact, the U.S. throws out enough plastic approximately every 11 hours to fill the Ravens stadium, and that amount is increasing.**

Our Waste Crisis

So how do we manage all this waste? Let's use plastic as an example. Let's say you discard some plastic packaging. In our current system, a local municipality will likely have to pay to collect and transport that plastic to a waste management facility. More often than not, this piece of plastic will likely be landfilled or incinerated, creating toxic air and water pollution and breaking down into microplastics. Those microplastics will persist and accumulate in the environment, some finding their way into the food we eat and the water we drink. Even the small amount of plastic that is recycled will likely be recycled into a less durable product like insulation or fabric, so the process will need to start again to create new plastic that will inevitably become waste.

This broken model is incredibly costly for our local governments, and for taxpayers. Our recycling rates are low, people have lost faith in the recycling system, and recycling markets for our plastic waste are less and less reliable.

The growing challenges of plastic pollution, climate change and rising recycling costs demand new solutions to Maryland's waste problems.

Producer Responsibility will Reduce Waste and Pollution and Save Taxpayer Dollars

But there is good news: producers can change this model. They can make products out of more durable or recyclable materials and provide consumers with better options for returning and recycling those products before they become waste. Why don't they make more sustainable products? Because currently, producers can offload the costs of poor product design decisions onto taxpayers, the environment and future generations, leaving them with no incentive to make more sustainable decisions, and every incentive to keep the status quo.

[Numerous successful programs](#) in the United States and around the world hold producers fully or partially responsible for the waste their products become – and, in many cases, hold producers to higher standards for the sustainability of the things they make and sell.

Effective producer responsibility programs can play an important role in moving Maryland toward a circular, zero-waste economy. This bill will help us achieve our zero waste goals by holding producers accountable for the waste they create and ensuring that they bear partial responsibility for the cost, and ensuring our governments don't have to foot the bill with taxpayer dollars and public health

I know that we all share the goal of solving our waste problem and turning back the tide on plastic pollution. Producer responsibility is a critical tool in achieving a zero waste future. We urge you to vote favorably on this bill.

HB0036-ENV_MACo_SUP.pdf

Uploaded by: Butler, Alex

Position: FAV



House Bill 36

Environment – Packaging, Containers, and Paper Products – Producer Responsibility

MACo Position: **SUPPORT**

To: Environment and Transportation
and Economic Matters Committees

Date: February 9, 2021

From: Alex Butler

The Maryland Association of Counties (MACo) **SUPPORTS** HB 36. The bill would reasonably require packaging producers to take more responsibility for the role they play in adding to the waste stream by providing new resources to struggling recycling networks.

Currently, all costs associated with recycling and waste management are left to local governments, and in effect, taxpayers. Due largely to declining markets for recycled commodities, county recycling networks have experienced significant hardships and have been forced to draw taxpayer subsidies to continue their operations.

HB 36 outlines a framework for an Extended Producer Responsibility (EPR) model that would place responsibility on packaging producers for end-of-life management. Industry members would form one or more stewardship organizations that would collect payments from producers covered under the bill. Local governments would be eligible to apply for and receive reimbursements for the work they are already doing, including collecting, transporting, and processing covered materials. Counties would then be able to invest any new funds back into their networks to help ease the burden on taxpayers. HB 36 would also encourage producers to make packaging that is more easily recyclable and more environmentally friendly.

HB 36 would provide needed financial support to struggling local government recycling networks by holding producers responsible for their products. Accordingly, MACo requests a **FAVORABLE** report on HB 36.

Testimony In Support of HB 36 Food Containers Stew

Uploaded by: Ceruolo, Rich

Position: FAV

February 5, 2021

Maryland House of Delegates
6 Bladen St.
Annapolis, MD. 21401

In Support of HB 36: Environment – Packaging, Container and Paper products – Producer Responsibility.

Good day members of the Environment and Transportation, and Economic Matters Committees.

I am writing to you today to support for reducing the use of single use food containers across the state of Maryland.

Takeaway meals, and packaging items are pretty common place in most of today's restaurants, grocery stores and many retail stores across the state, and across our nation. Cardboard, paper and plastic containers are cheap, easy to obtain, and can carry a wide variety of items. But there is a heavy cost to our environment for this kind of convenience.

We have an obligation to the next generation, to hand over a cleaner, more livable planet than the one we were given by our parents. Everywhere you look on Maryland's streets and highways there are discarded food containers. They very often never make it into trash and recycling collection cans and end up in in our environment and some land in The Chesapeake Bay's estuaries, waterways negatively impacting our delicate ecosystem. Environmentally unfriendly container and plastic in our oceans is another big environmental disaster that has been unfolding over the course of many years. Let's see if we can make positive changes to policy that can help protect our environment and the bay. Packaging items can often take years, and decades, to decompose in our trash piles and landfills all over MD.

Inconsistent environmental policies within our region have made the use of plastic bags less prominent in some areas, but not in others. Patchwork solutions seldom work well. We need policy that is bold, wide reaching, and can make a positive impact across the state. And maybe help to influence our regional neighbors, and their environmental policies.

We have other alternatives to carry our take away food items from the store, restaurant or market. In this bill, the business community has an opportunity to address the long-term effects of their containers, packaging and paper products. We have better, more earth friendly alternatives to these items. Please let's discourage the use of disposable, single use packaging and encourage the use of environmentally sound alternatives while making business owners part of the solution.

Please vote to support HB 36 and return a favorable vote on this important bill.
Thank you for your time and considering of my testimony today.

Mr. Richard Ceruolo

Barve.Let.HB36.Producer Responsibility.020521

Uploaded by: County Board of Commissioners, Calvert

Position: FAV



**CALVERT COUNTY
BOARD OF COUNTY COMMISSIONERS**

175 Main Street
Prince Frederick, Maryland 20678
410-535-1600 • 301-855-1243
www.calvertcountymd.gov

Board of Commissioners
Earl F. Hance, President
Steven R. Weems, Vice President
Mike Hart
Thomas E. Hutchins
Kelly D. McConkey

February 5, 2021

The Honorable Delegate Kumar P. Barve, Chair
Environment and Transportation Committee
Room 251
House Office Building
Annapolis, Maryland 21401

Re: HB36 - Environment – Packaging, Containers, and Paper Products – Producer Responsibility

Delegate Barve,

The Board of County Commissioners of Calvert County writes to express our support for HB 36, a bill to establish producer responsibility in Maryland. Should you have any questions or require further information, please do not hesitate to contact County Administrator Julian M. Willis at 410-535-1600, ext. 2202, or County Attorney John Norris at 410-535-1600, ext. 2566. Thank you for your kind consideration of our position regarding this important Bill.

Sincerely,

BOARD OF COUNTY COMMISSIONERS
CALVERT COUNTY, MARYLAND

Earl F. Hance, President

A handwritten signature in blue ink, appearing to read "Earl F. Hance", written over a horizontal line.

Steven R. Weems, Vice President

A handwritten signature in blue ink, appearing to read "Steven R. Weems", written over a horizontal line.

Mike Hart

A handwritten signature in blue ink, appearing to read "Mike Hart", written over a horizontal line.

Thomas E. Hutchins

A handwritten signature in blue ink, appearing to read "Thomas E. Hutchins", written over a horizontal line.

Kelly D. McConkey

cc: Calvert County Senators and Calvert County Delegation
The Honorable Delegate Brooke E. Lierman

HB36- National Aquarium- FAV-House.pdf

Uploaded by: Fredriksson, Ryan

Position: FAV



Date: February 9, 2021

Bill: HB36 - Environment - Packaging, Containers, and Paper Products - Producer Responsibility

Position: Support

Dear Chairman Barve and Members of the Committee:

The National Aquarium respectfully requests your support for **House Bill 36- Environment - Packaging, Containers, and Paper Products - Producer Responsibility**, which would advance Extended Producer Responsibility (EPR) of packaging and paper products - increasing efficiency of waste management throughout the state while reducing pollution and taxpayer costs.

The National Aquarium believes that plastic pollution is an issue we can stop in our lifetime. This bill is one critically important step in making that a reality. The plastic pollution crisis is well-documented, and updated estimates indicate that globally, about 20 million metric tons of plastic enters aquatic ecosystems each year - or about 11% of all plastic waste generated¹. That is the equivalent of more than two dump trucks full of plastic emitted to the ocean every minute. Plastic breaks down into smaller pieces, particles which endanger wildlife and contaminate the global food web. Furthermore, marine plastic pollution costs the U.S. approximately \$2 trillion annually². This is due in large part because the costs of waste management are borne primarily by municipalities and taxpayers.

In short, current waste management to address plastic pollution is unsustainable and requires comprehensive systemic change to stop plastic pollution at its source; change behaviors; clean up existing pollution; and provide education and outreach. Establishing an EPR for packaging is a key part of a comprehensive solution. This bill would incentivize packaging producers to meet shared standards for recyclability, and to improve the design of their products with materials that are more reusable, recyclable or compostable. EPR for packaging will support market behavior change, requiring that packaging producers share responsibility and materially contribute to the rising costs of managing waste created by the products they put on the market.

EPR policies are not new; the approach exists for other products from batteries to mattresses. EPR for packaging has been implemented in Canada as well as most European countries and throughout much of Asia. EPR for packaging is also currently being proposed in New York, California, and Vermont. Many relevant businesses are already subject to EPR packaging policies in other countries where they operate. By passing this bill, Maryland has the opportunity to enact comprehensive systemic change to reduce the harmful impacts plastic pollution has on our wildlife and ecosystems while reducing the burden placed on taxpayers.

We urge the Committee to issue a favorable report on HB36.

Contact:

Ryan Fredriksson

Vice President, Government Affairs

410-385-8276

rfredriksson@aqua.org

¹ Borrelle, S.B. et al. (2020) Predicted growth in plastic waste exceeds efforts to mitigate plastic pollution. *Science*, 369:1515.

² Forrest, A. et al. (2019). Eliminating Plastic Pollution: How a Voluntary Contribution From Industry Will Drive the Circular Plastics Economy. *Frontiers in Marine Science*, 6:627.

HB36_Frederick County_FAV.PDF

Uploaded by: Harris, Phil

Position: FAV

BILL: HB36

POSITION: FAV

DATE: February 6, 2021

FROM: Phil Harris, Division Director of Solid Waste & Recycling, Frederick County

Members of the Environment and Transportation Committee:

We write on behalf of our municipalities to express our support for [HB 36](#), a bill to establish producer responsibility in Maryland. Under the current system, we bear the burden of managing huge amounts of waste and recycling, much of which is created by producers who do not consider the end of life of their materials.

The Problem

When China and other countries [restricted](#) plastic imports, the market for materials like paper and plastics shrunk overnight. This has resulted in higher costs for local governments, many of whom were already in a challenging financial situation. Between 2017 and 2019, the value of [recyclables have declined an average of 41%](#). A market where local governments and taxpayers bear all of the cost of managing recycling and waste from materials like plastic and paper packaging is unsustainable.

The Solution

Producer responsibility legislation ensures that producers bear partial financial responsibility for end of life management of the products that they create, [providing financial relief to Maryland's local governments](#). In addition, this bill calls on producers to help local governments advance their recycling systems to keep up with rapidly changing materials that existing infrastructure may not be able to handle. This has implications for taxpayers as well. [A recent review](#) of a proposed producer responsibility law showed that "EPR [for packaging and paper products] in Washington would save between \$90 to \$121 per household per year and create between 1,650 and 2,600 new, local jobs in the state."

[The study in Washington](#) also found that producer responsibility for packaging and paper products could achieve [significant waste diversion](#), including a 20% reduction in landfilled packaging and paper products. The increased recycling generated by this producer responsibility legislation would remove the CO2 equivalent of "between 120,000 to 138,000 vehicles from the road every year." Further, despite our best efforts, Maryland's plastic recycling rate in 2017 was only [13%](#). Research shows that producer responsibility can help us achieve a much higher recycling rate. EPR for packaging and paper would help us meet our environmental sustainability goals here in Maryland, and create a more sustainable financial future for our local governments.

It's time for producer responsibility in Maryland.

We must require the creators of packaging to provide relief to local governments and taxpayers - who had no say in the packaging they were handed - in managing it. This legislation will free up resources so that we can provide the services our citizens demand and deserve. With its potential to provide financial relief to local governments, create jobs, increase recycling, and reduce emissions, we respectfully request that you vote favorably on HB 36.

Phil Harris
Division Director of Solid Waste & Recycling
Frederick County
pharris@frederickcountymd.gov

2021.02.05_PSI Testimony HB 36.pdf

Uploaded by: Harris, Sydney

Position: FAV



February 5, 2021

Scott Cassel
Chief Executive Officer/Founder

Board of Directors

Tom Metzner – **President**
*CT Dept. of Energy and
Environmental Protection*

Scott Klag – **Vice President**
Metro, OR

Jennifer Semrau – **Treasurer**
WI Dept. of Natural Resources

Mallory Anderson
Hennepin County, MN

Elena Bertocci
ME Dept. of Environmental Protection

Abby Boudouris
OR Dept. of Environmental Quality

Jennifer Heaton-Jones
*Housatonic Resources Recovery
Authority, CT*

Jennifer Holliday
Chittenden Solid Waste District, VT

Kate Kitchener
NY City Dept. of Sanitation

Cathy Jamieson
*VT Dept. of Environmental
Conservation*

Andrew Radin
*Onondaga County Resource
Recovery Agency, NY*

Joe Rotella
RI Resource Recovery Corporation

Patrick Riley
OK Dept. of Environmental Quality

Honorary Directors

Sego Jackson
Seattle Public Utilities, WA

Walter Willis
Solid Waste Agency of Lake County, IL

Delegate Kumar Barve, Chair
Delegate Dana Stein, Vice-Chair
House Environment & Transportation Committee
Maryland General Assembly
House Office Building – Room 251
Annapolis, Maryland 21401

RE: Support for HB 36, An act concerning producer responsibility for packaging, containers, and paper products

Dear Chair Barve, Vice-Chair Stein, and Members of the Committee:

Thank you for the opportunity to submit testimony in support of HB 36, *as introduced*, which will create a packaging stewardship program for Maryland with sustainable funding from producers.

HB 36 will create a producer responsibility program for packaging throughout Maryland. The bill contains many of the standard elements of successful programs, including a producer responsibility organization (PRO), a stewardship plan, PRO fees that incentivize environmental performance, annual reporting, strong performance targets, and third party audits. HB 36 gives municipalities the opportunity to participate in the packaging stewardship program and be reimbursed by producers for *all* recycling costs, including collection, transportation, and processing of materials. The bill also covers the cost of state oversight and enforcement of the program. Significantly, the bill exempts producers with less than \$1 million in gross revenue or that supply less than one ton of packaging material to Maryland residents per year.

Based on two decades of rigorous research and practice, the Product Stewardship Institute (PSI) believes that HB 36 is critical to save Maryland residents millions of dollars in waste recycling and disposal costs while dramatically increasing access to recycling across the state and relieving municipalities of the significant financial burdens that they face in operating recycling programs. HB 36 will create recycling jobs, reduce waste and greenhouse gas emissions, and address the inequitable environmental and health impacts of our current waste system on vulnerable communities.

Under the current system, low-income communities and communities of color are disproportionately affected by the health and environmental impacts of increased landfilling, incineration, and litter. For example, the Southwest Resource Recovery facility, located in a predominantly Black community in

Baltimore City, is the City's largest single source of air pollution, according to data from the U.S. Environmental Protection Agency. There is currently little incentive for the system to change. To drive real transformation, funding for recycling must come from the producers who benefit from the sale of packaging and paper products. Producers are in the best position to make design choices regarding what materials to use for their packaging and paper products, and the amount of post-consumer content that is feasible.

PSI is a national nonprofit working to reduce the health and environmental impacts of consumer products from design and production through end-of-life. We work closely with 47 state environmental agency members, hundreds of local government members, and over 120 partners from businesses, universities, organizations, and international governments. PSI created the model for packaging EPR that is central to HB 36 based on decades of research and partnership with EPR practitioners around the world. Our model has also shaped the EPR policy at the center of the federal Break Free from Plastic Pollution Act, which will be reintroduced this session by U.S. Senator Jeff Merkley and U.S. Representative Alan Lowenthal to reduce packaging waste, as well as emerging bills in a dozen states, including New York, Massachusetts, Vermont, and other states around the country.

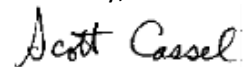
We do believe HB 36 could be further strengthened by a few additional best practices from PSI's policy model. Standards for convenience would ensure participating municipalities provide convenient access to recycling for Maryland residents. Additional environmental and health outcomes could be incorporated into the economic incentives and disincentives built into the fees producers will pay on their materials to address toxics, encourage reduction and reuse, and ensure materials are sustainably sourced.

The need for a new recycling approach has never been clearer. With staffing and budget disruptions caused by the COVID-19 pandemic and commodity prices at all-time lows due to the loss of export markets, local governments are struggling to maintain recycling programs. Communities in Maryland have faced overwhelming increases in residential trash and recycling volumes since the start of the pandemic, and continue to grapple with high rates of contamination due to consumer confusion over complex packaging and inconsistent recycling program guidelines. Many have been forced to dispose of recyclable material, stop curbside service, or even suspended recycling programs altogether.

We urge you to support HB 36 for the financial and environmental health of Maryland's economy.

If you have any questions, please feel free to contact me at (617) 236-4822, or Scott@ProductStewardship.US.

Sincerely,



Scott Cassel
Chief Executive Officer/Founder

2021.02.05_PSI Testimony HB 36.pdf

Uploaded by: Harris, Sydney

Position: FAV



February 5, 2021

Scott Cassel
Chief Executive Officer/Founder

Board of Directors

Tom Metzner – **President**
*CT Dept. of Energy and
Environmental Protection*

Scott Klag – **Vice President**
Metro, OR

Jennifer Semrau – **Treasurer**
WI Dept. of Natural Resources

Mallory Anderson
Hennepin County, MN

Elena Bertocci
ME Dept. of Environmental Protection

Abby Boudouris
OR Dept. of Environmental Quality

Jennifer Heaton-Jones
*Housatonic Resources Recovery
Authority, CT*

Jennifer Holliday
Chittenden Solid Waste District, VT

Kate Kitchener
NY City Dept. of Sanitation

Cathy Jamieson
*VT Dept. of Environmental
Conservation*

Andrew Radin
*Onondaga County Resource
Recovery Agency, NY*

Joe Rotella
RI Resource Recovery Corporation

Patrick Riley
OK Dept. of Environmental Quality

Honorary Directors

Sego Jackson
Seattle Public Utilities, WA

Walter Willis
Solid Waste Agency of Lake County, IL

Delegate Kumar Barve, Chair
Delegate Dana Stein, Vice-Chair
House Environment & Transportation Committee
Maryland General Assembly
House Office Building – Room 251
Annapolis, Maryland 21401

RE: Support for HB 36, An act concerning producer responsibility for packaging, containers, and paper products

Dear Chair Barve, Vice-Chair Stein, and Members of the Committee:

Thank you for the opportunity to submit testimony in support of HB 36, *as introduced*, which will create a packaging stewardship program for Maryland with sustainable funding from producers.

HB 36 will create a producer responsibility program for packaging throughout Maryland. The bill contains many of the standard elements of successful programs, including a producer responsibility organization (PRO), a stewardship plan, PRO fees that incentivize environmental performance, annual reporting, strong performance targets, and third party audits. HB 36 gives municipalities the opportunity to participate in the packaging stewardship program and be reimbursed by producers for *all* recycling costs, including collection, transportation, and processing of materials. The bill also covers the cost of state oversight and enforcement of the program. Significantly, the bill exempts producers with less than \$1 million in gross revenue or that supply less than one ton of packaging material to Maryland residents per year.

Based on two decades of rigorous research and practice, the Product Stewardship Institute (PSI) believes that HB 36 is critical to save Maryland residents millions of dollars in waste recycling and disposal costs while dramatically increasing access to recycling across the state and relieving municipalities of the significant financial burdens that they face in operating recycling programs. HB 36 will create recycling jobs, reduce waste and greenhouse gas emissions, and address the inequitable environmental and health impacts of our current waste system on vulnerable communities.

Under the current system, low-income communities and communities of color are disproportionately affected by the health and environmental impacts of increased landfilling, incineration, and litter. There is currently little incentive for the system to change. To drive real transformation, funding for recycling must

come from the producers who benefit from the sale of packaging and paper products. Producers are in the best position to make design choices regarding what materials to use for their packaging and paper products, and the amount of post-consumer content that is feasible.

PSI is a national nonprofit working to reduce the health and environmental impacts of consumer products from design and production through end-of-life. We work closely with 47 state environmental agency members, hundreds of local government members, and over 120 partners from businesses, universities, organizations, and international governments. PSI created the model for packaging EPR that is central to HB 36 based on decades of research and partnership with EPR practitioners around the world. Our model has also shaped the EPR policy at the center of the federal Break Free from Plastic Pollution Act, which will be reintroduced this session by U.S. Senator Jeff Merkley and U.S. Representative Alan Lowenthal to reduce packaging waste, as well as emerging bills in a dozen states, including New York, Massachusetts, Vermont, and other states around the country.

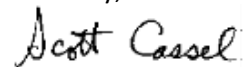
We do believe HB 36 could be further strengthened by a few additional best practices from PSI's policy model. Standards for convenience would ensure participating municipalities provide convenient access to recycling for Maryland residents. Additional environmental and health outcomes could be incorporated into the economic incentives and disincentives built into the fees producers will pay on their materials to address toxics, encourage reduction and reuse, and ensure materials are sustainably sourced.

The need for a new recycling approach has never been clearer. With staffing and budget disruptions caused by the COVID-19 pandemic and commodity prices at all-time lows due to the loss of export markets, local governments are struggling to maintain recycling programs. Communities in Maryland have faced overwhelming increases in residential trash and recycling volumes since the start of the pandemic, and continue to grapple with high rates of contamination due to consumer confusion over complex packaging and inconsistent recycling program guidelines. Many have been forced to dispose of recyclable material, stop curbside service, or even suspended recycling programs altogether.

We urge you to support HB 36 for the financial and environmental health of Maryland's economy.

If you have any questions, please feel free to contact me at (617) 236-4822, or Scott@ProductStewardship.US.

Sincerely,



Scott Cassel
Chief Executive Officer/Founder

HB36_Brooke Lierman_FAV.pdf

Uploaded by: Lierman, Brooke

Position: FAV

BROOKE E. LIERMAN
Legislative District 46
Baltimore City

Environment and Transportation
Committee

Chair

Land Use and Ethics Subcommittee

Joint Committee on Administrative,
Executive, and Legislative Review

Joint Committee on Ending
Homelessness

Joint Committee on Pensions



The Maryland House of Delegates
6 Bladen Street, Room 311
Annapolis, Maryland 21401
410-841-3319 · 301-858-3319
800-492-7122 Ext. 3319
Brooke.Lierman@house.state.md.us

THE MARYLAND HOUSE OF DELEGATES
ANNAPOLIS, MARYLAND 21401

**Testimony in Support of HB 36:
Extended Producer Responsibility for Packaging and Paper Products**

Environment and Transportation Committee

February 9, 2021

What this bill does

Our work this interim with the Workgroup on Waste Reduction and Recycling has demonstrated the need for comprehensive approaches to upgrading our recycling abilities and encouraging upstream changes by producers of single-use plastics and packaging to create products that are more recyclable and produce less waste. This bill, creating an Extended Producer Responsibility system in Maryland for packaging, will do much to address both of these issues.

I am introducing House Bill 36 to support local governments and to address the waste crisis in Maryland by extending producer responsibility to packaging and paper products. Extended Producer Responsibility (EPR) is a concept that already applies to many products in Maryland, such as batteries, products that contain mercury, and various electronics. EPR shifts the costs and responsibility of waste management and recycling from taxpayers and local governments to the producers of the packaging. This year, there are bills proposing EPR for mattresses and paint. The biggest difference between this bill and the paint stewardship program, for example, is that under HB36 we retain municipal waste and recycling systems for collection, transportation, and sorting and simply ask producers to contribute financially, whereas other EPR programs that you may be familiar with require the producers of the targeted products to set up a takeback program themselves.

HB36 is focused specifically on producer responsibility for packaging and paper products. This bill will require producers of covered products - packaging, containers, and paper products - to submit product stewardship plans. A product stewardship plan is a comprehensive plan detailing how a producer or - more likely - a group of producers will: achieve waste reduction goals, create more eco-friendly packaging, help finance local recycling and waste systems, contribute to advancements in local recycling and waste infrastructure, and help educate the public on proper end-of-life management of packaging and paper products.

While the producers may submit product stewardship plans individually, this bill allows and encourages producers to work together to create a nonprofit product stewardship organization so that they can work together to craft these plans and achieve these goals.

Product stewardship plan(s) will be submitted to the Department of the Environment for review, amendments, and eventually, approval. Once approved, the producer will be required to submit an annual report evaluating their progress on their plan. If a producer fails to submit a plan or does not receive approval, they will not be allowed to produce or import these materials for distribution in Maryland or they will be subjected to significant fines.

By requiring producers to create comprehensive product stewardship plans, HB36 will increase cost-sharing of waste management, making brands and producers part of the solution to our waste problem.

Why this bill matters

This bill will provide substantial financial relief to local governments for their existing recycling and waste management systems, plus advancements in recycling infrastructure. It will also create jobs, increase recycling rates and bolster recycling markets, promote sustainability, and protect Maryland's environment

When China and other countries restricted plastic imports, the market for materials like paper and plastics shrunk overnight. This has resulted in higher costs for local governments, many of whom were already in a challenging financial situation. Between 2017 and 2019, the value of recyclables have declined an average of 41%. A market where local governments and taxpayers bear all of the cost of managing recycling and waste from materials like plastic and paper packaging is unsustainable.

Producer responsibility legislation ensures that producers bear partial financial responsibility for end of life management of the products that they create, providing financial relief to Maryland's local governments. In addition, this bill calls on producers to help local governments advance their recycling systems to keep up with rapidly changing materials that existing infrastructure may not be able to handle. This has implications for taxpayers as well. A recent review of a proposed producer responsibility law showed that "EPR [for packaging and paper products] in Washington would save between \$90 to \$121 per household per year and create between 1,650 and 2,600 new, local jobs in the state."

The study in Washington also found that producer responsibility for packaging and paper products could achieve significant waste diversion, including a 20% reduction in landfilled packaging and paper products. The increased recycling generated by this producer responsibility legislation would remove the CO2 equivalent of "between 120,000 to 138,000 vehicles from the road every year." Further, despite our best efforts, Maryland's plastic recycling rate in 2017 was only 13%. Research shows that

producer responsibility can help us achieve a much higher recycling rate by having producers meet minimum recycled content goals and by creating an incentive structure to reward producers making readily recyclable or compostable packaging. EPR for packaging and paper would help us meet our environmental sustainability goals here in Maryland, and create a more sustainable financial future for our local governments.

Why should you vote for this bill

We must require the creators of packaging to provide relief to local governments and taxpayers - who had no say in the packaging they were handed - in managing it. Requiring producers to address recyclability, change the way they design packaging, and requiring cost-sharing will decrease waste and decrease the burden on taxpayers and local governments. This legislation will free up resources so that we can provide the services our citizens demand and deserve. With its potential to provide financial relief to local governments, create jobs, increase recycling, and reduce emissions, we respectfully request that you vote favorably on HB 36.

HB36-ET-FAV.pdf

Uploaded by: Mehu, Natasha

Position: FAV



BRANDON M. SCOTT
MAYOR

*Office of Government Relations
88 State Circle
Annapolis, Maryland 21401*

HB36

February 9, 2021

TO: Members of the Environment and Transportation Committee

FROM: Natasha Mehu, Director of Government Relations

RE: HOUSE BILL 36 - Environment – Packing, Containers, and Paper Products – Producer Responsibility

POSITION: SUPPORT

Chair Barve, Vice Chair Stein, and Members of the Committee, please be advised that the Baltimore City Administration (BCA) **supports** House Bill (HB) 36.

House Bill 36 would, among other things, require by October 1, 2021, a producer of certain packing, containers, and paper products to individually or as part of a stewardship organization submit a covered materials and products stewardship plan to the Maryland Department of the Environment for approval; prohibits on or after October 1, 2024, a producer of covered material and products from selling covered materials and products unless the producer individually or as part of stewardship plan has an approved stewardship plan, etc.

House Bill 36 would require producers to submit a stewardship plan to the Maryland Department of Environment (MDE). Among other things, the stewardship plan would require performance goals for a minimum post-consumer recycled material content rate (of at least 75% by October 1, 2021) and a minimum recycling rate (to be readily recyclable or compostable by October 1, 2021 and for single-use plastic packaging and foodware to be reduced to the maximum extent practicable by not less than 25% by October 1, 2030) for covered materials or products. There is also a requirement for public outreach, education, and communication which is to be developed in consultation with local governments and other stakeholders. These goals and actions will go a long way toward reducing waste and increasing composting and recycling.

The stewardship plan will provide a method for reimbursing local governments for costs associated with collecting, transporting, and processing covered materials and products listed in the stewardship plan. Section 9-2304 of the legislation states that local government may request reimbursement from a Producer Stewardship Organization for these costs in accordance with the requirements of the producers as established under the Stewardship Plan. It will be important that these requirements are easily accessed and streamlined for local governments to successfully request and receive reimbursement.

The Baltimore City Department of Public Works completed its Less Waste, Better Baltimore (LWBB) long-term solid waste operating plan in 2020. This plan lists Extended Producer Responsibility (EPR) as potential legislation to support waste reduction. Task 8 of the Plan, “Recycling and Solid Waste Management Master Plan”, states “Source reduction goals are generally best achieved by implementing extended producer responsibility (EPR) programs, product take-back programs, and bans or restrictions on the use of single-use products, especially in the retail and food service sectors. This must be coupled with offering realistic alternatives to banned items; educational programs to educate consumers on why programs/bans have been implemented and what is expected from individuals for these programs/bans to succeed, and a willingness on the part of the City to pass regulations, inspect, and enforce” (page 41).

House Bill 36 does not result in an excessive burden on local government; rather, it would provide structure and funding support to local governments in managing and reducing their solid waste streams. It strives to place responsibility on the producers of this waste, which could encourage producers to reconsider and redesign their packaging and container products that would have less of an impact on the environment and on communities. Coordination at the State level for the stewardship program falls on MDE, so it is imperative that adequate funding and personnel are assigned to ensure its success.

The City of Baltimore has continued to manage its recycling program even in the face of rising costs to do so. House Bill 36 could increase demand for recycling and the number of products that can be recycled or composed instead of landfilled, thus supporting local governments’ recycling systems, promoting new markets for recyclables, and potentially resulting in a cost savings for local government.

The City of Baltimore respectfully requests a **favorable** report on House Bill 36.

Testimony on MD HB36 w amendments GAP Feb 2021.pdf

Uploaded by: Peters, Geoff

Position: FAV

Testimony as Favorable with Amendments
to
House Bill 36
in
Maryland House Environment and Transportation Committee
on
February 9, 2021

The Flexible Packaging Association (FPA) is submitting testimony as favorable with amendments to HB36, “An Act concerning – Packaging, Containers, and Paper Products – Producer Responsibility,” which would establish an extended producer responsibility (EPR) act for packaging and paper.

I am Geoff Peters, President and CEO of Wikoff Color Corporation (and on the Board of Directors of the FPA), which makes inks and coatings for flexible packaging manufacturers in the U.S. Flexible packaging market which represents \$33.6 billion in annual sales; is the second largest, and fastest growing segment of the packaging industry; and employs approximately 80,000 workers in the United States. Flexible packaging is produced from paper, plastic, film, aluminum foil, or any combination of these materials, and includes bags, pouches, labels, liners, wraps, rollstock, and other flexible products.

These are products that you and I use every day – including hermetically sealed food and beverage products such as cereal, bread, frozen meals, infant formula, and juice; as well as sterile health and beauty items and pharmaceuticals, such as aspirin, shampoo, feminine hygiene products, and disinfecting wipes. Even packaging for pet food uses flexible packaging to deliver fresh and healthy meals to a variety of animals. Flexible packaging is also used for medical device packaging to ensure that the products packaged, diagnostic tests, IV solutions and sets, syringes, catheters, intubation tubes, isolation gowns, and other personal protective equipment maintain their sterility and efficacy at the time of use. Trash and medical waste receptacles use can liners to manage business, institutional, medical, and household waste. Carry-out and take-out food containers and e-commerce delivery, which are increasingly important during this national emergency, are also heavily supported by the flexible packaging industry.

Thus, FPA and its members are particularly interested in solving the plastic pollution issue and increasing the recycling of solid waste from packaging. We believe that HB36, with amendments, can accomplish these goals. Flexible packaging is in a unique situation as it is one of the most environmentally sustainable packaging types from a water and energy consumption, product-to-package ratio, transportation efficiency, food waste, and greenhouse gas emissions reduction standpoint, but circularity options are limited. There is no single solution that can be applied to all communities when it comes to the best way to collect, sort, and process flexible packaging waste. Viability is influenced by existing equipment and infrastructure; material collection methods and rates; volume and mix; and demand for the recovered material. Single material flexible packaging, which is approximately half of the flexible packaging waste generated, can be mechanically recycled through store drop-off programs, however, end-markets are scarce. The other half can be used to generate new feedstock, whether through pyrolysis, gasification, or fuel blending, but again, if there are no end markets for the product, these efforts will be stranded.

Developing end-of-life solutions for flexible packaging is a work in progress and FPA is partnering with other manufacturers, recyclers, retailers, waste management companies, brand owners, and other organizations to continue making strides toward total packaging recovery. Some examples include The Recycling Partnership; the Materials Recovery for the Future (MRFF) project; the Hefty® EnergyBag® Program; and the University of Florida's Advanced Recycling Program. All of these programs seek to increase the collection and recycling of flexible packaging and increasing the recycled content of new products that will not only create markets for the products but will serve as a policy driver for the creation of a new collection, sortation, and processing infrastructure for the valuable materials that make up flexible packaging.

FPA believes that a suite of options is needed to address the lack of infrastructure for non-readily recyclable packaging materials, and promotion and support of market development for recycled products is an important lever to build that infrastructure. We also believe that EPR can be used to promote this needed shift in recycling in the U.S. In fact, FPA worked with the Product Stewardship Institute (PSI) and have jointly drafted a set of principles to guide EPR for flexible packaging (<https://www.flexpack.org/end-of-packaging-life>). This dialogue looked at the

problems and opportunities for EPR to address the needs of the flexible packaging industry to reach full circularity for over a year. It is with this background that FPA provides this testimony and supports the amendments to improve HB36. We believe the amendments will provide the necessary elements for the enhancement of current collection, infrastructure investment, and development of advanced recycling systems, that will allow for collection and recycling to a broader array of today's packaging materials, including flexible packaging; and quality sorting and markets for currently difficult-to-recycle materials.

We were pleased to work with Delegate Lierman to address our issues with the bill as introduced, including the definition of producer, which is now more clearly defined; the rates and dates for recyclability and postconsumer recycled content, which were unachievable as written, but will now be part of the program plan process with an advisory group and approval from the Department; spending that will now not only be for current infrastructure, but new infrastructure and market development as well; a more robust antitrust protection provision to meet both federal and state requirements; and the deletion of the joint and several liability provision for the stewardship organization (SO) and producers participating in the SO, which we believe would have encouraged lawsuits instead of the collaborative effort that will be needed amongst competitors to make the SO successful.

For these reasons, FPA is favorable with amendments and believes that with the amendments HB36 will support a meaningful EPR program for packaging; providing the necessary investment in new infrastructure and markets for all packaging, including flexible packaging. In advance, thank you for your consideration. If we can provide further information or answer any questions, please do not hesitate to contact me at 704-287-4631 or geoff.peters@wikoff.com .

HB0036_EPR_MLC_FAV.pdf

Uploaded by: Plante, Cecilia

Position: FAV



TESTIMONY FOR HB0036 ENVIRONMENT, PACKAGING, CONTAINERS, AND PAPER PRODUCTS – PRODUCER RESPONSIBILITY

Bill Sponsor: Delegate Lierman

Committee: Environment and Transportation

Organization Submitting: Maryland Legislative Coalition

Person Submitting: Cecilia Plante, co-chair

Position: FAVORABLE

I am submitting this testimony in favor of HB0036 on behalf of the Maryland Legislative Coalition. The Maryland Legislative Coalition is an association of activists - individuals and grassroots groups in every district in the state. We are unpaid citizen lobbyists and our Coalition supports well over 30,000 members.

Our Coalition members support the reduction, recycling, and/or composting of as much packaging waste as possible. We feel that waste materials (particularly plastics, but also including paper and cardboard packaging) are becoming a bigger and more expensive problem for the state. We believe that consumer education is important in changing this dynamic. At the same time, we would like to change the behavior of manufacturers, distributors, and sellers to ensure that their products are packaged in recyclable or compostable materials, instead of plastics or other materials that our recycling systems can't handle.

We think this bill will not only be a giant step forward in managing waste materials, but it also sets the groundwork for changing the behaviors of the manufacturers, distributors and sellers. It makes them responsible for ensuring that their packaging is recyclable or compostable and makes them come up with a disposal plan. It has them individually (or in combination in what is described as a stewardship organization) create the plan and have it approved.

The bill also has teeth, which we feel is an important addition. There are fines for not following the plan and there are fees that would have to be paid to local governments to collect, transport and process the packaging. The reporting requirements imposed would ensure that each individual organization (or the stewardship organization) is following the plan.

Finally, this new process would not hurt small businesses, who are already struggling. It would target large businesses, who make more than \$1 million in gross revenues or produce more than 1 ton of packaging materials, and it exempts businesses that are part of a franchise.

We believe this will be game changing in terms of getting manufacturers and sellers to re-think the kinds of packaging they make and sell, which in turn, will help us all become better at reducing waste.

We support this bill and recommend a **FAVORABLE** report in committee.

ILSR testimony HB36 - EPR - FAV.pdf

Uploaded by: Platt, Brenda

Position: FAV

**TESTIMONY TO THE MARYLAND HOUSE OF DELEGATES
COMMITTEE ON ENVIRONMENT & TRANSPORTATION**

HB36 – Environment – Packaging, Containers, and Paper Products – Producer Responsibility

Position: Support

February 9, 2021 Public Hearing

Neil Seldman, Director, Waste to Wealth Initiative, nseldman@ilsr.org
Institute for Local Self-Reliance
1200 18th Street, NW, Suite 700, Washington, DC 20036

Dear Chair Barve, Vice Chair Stein, and members of the Environment and Transportation Committee:

The Institute for Local Self-Reliance urges a **favorable** report on HB36 – Environment – Packaging, Containers, and Paper Products – Producer Responsibility.

I am the director of the Institute’s Waste to Wealth Initiative and have undertaken extensive research on Extended Producer responsibility model legislation.

(<https://ilsr.org/new-federal-legislation-presents-the-opportunity-to-break-free-from-plastic-pollution/>;
and, <https://ilsr.org/critiques-of-different-approaches-to-extended-producer-responsibility-in-canada/>.)

Bill HB36 calls for establishing the Municipal Reimbursement form of Extended Producer Responsibility that holds producers of packaging and products financially responsible for the costs their materials impose on the public. This keeps essential features of progressive recycling intact: namely, it allows organized citizens to retain their right to participate and vote on local decisions affecting their community. Further it will provide critically needed funding for Maryland’s cities and counties to build necessary infrastructure. In turn this allows independence in decision-making for collection (explore dual stream, co-collection), processing (proper scale and ownership), and local planning (design waste reduction, composting, repair and reuse) for the highest levels of diversion from landfills and incinerators.

Other forms of EPR put the recycling system under the total control of producer industries and will be a barrier to the state and its jurisdictions from making their own decisions and incentives. The corporate controlled EPR model will not allow the energy and creativity of organized citizens at the local level that is needed for the state to realize the full benefits of a circular materials management system. Thus in British Columbia where corporations are in full control over the recycling system, corporate authority is being used to undermine the existing bottle bill system and expand incineration of waste materials.

Maryland needs both EPR Municipal Reimbursement AND a state bottle bill.

Sincerely,

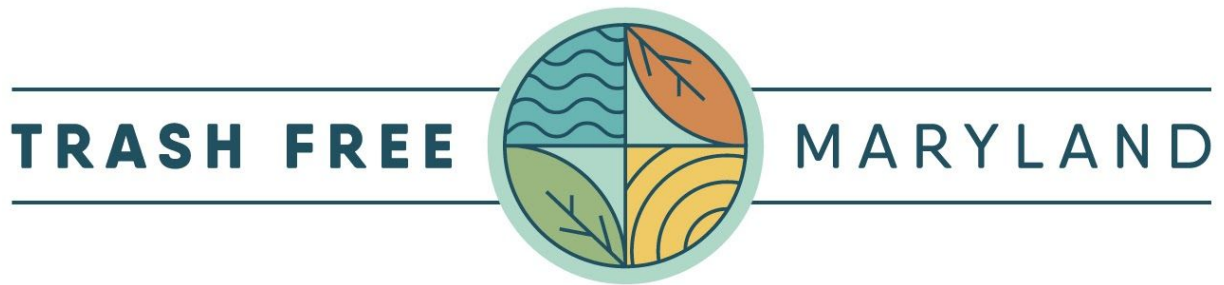


Neil Seldman

HB36 - EPR Written Testimony - TFMD - Robinson.pdf

Uploaded by: Robinson, Shane

Position: FAV



Bill: HB 36

Date: February 9, 2021

Position: Support

HB 36 - Environment – Packaging, Containers, and Paper Products – Producer Responsibility Support

Dear Chairman Barve, Chairman Davis, and members of the two Committees:

Trash Free Maryland is a nonprofit organization focused on lasting change to prevent trash pollution. We bring together organizations, businesses, government agencies and decision makers, and individuals committed to reducing trash in Maryland's environment.

Trash Free Maryland enthusiastically supports HB 36, which would require producers of packaging and paper products in Maryland to submit a product stewardship plan that meets certain criteria to the Maryland Department of the Environment. This much needed legislation would help reduce costs placed on taxpayers by ensuring that producers share the burden of the end-of-life management of the products that they create and put onto the market. HB 36 would also improve recycling outcomes by incentivizing producers to use less packaging in their products, and the packaging that they do use would be more recyclable, thereby supporting recycling markets.

Extended producer responsibility for packaging and paper products is becoming more and more common globally, and many of the multinational companies that produce products in Maryland are already following similar EPR laws in other locations. Bringing extended producer responsibility for packaging and paper to Maryland would lead to a reduction in litter and waste, and an increase in recycling in the state.

We urge a favorable report on HB 36. Thank you.

Contact:

Shane Robinson, Executive Director, Trash Free Maryland

shane@trashfreemaryland.org

202-684-0984

HB36-Fav TestimonyjusticeWing-EPR.pdf

Uploaded by: Younts, Diana

Position: FAV



Committee: Environment & Transportation

Testimony on: HB0036-- “Environment – Packaging, Containers, and Paper Products – Producer Responsibility”

Organization: MLC Climate Justice Wing
Person

Submitting: Diana Younts, co-chair

Position: Favorable

Hearing Date: February 9, 2021

Mr. Chairman and Members of the Committee,

Thank you for allowing our testimony today in support of HB0036. MLC’s Climate Justice Wing is a statewide coalition of over 50 grassroots and grasstops organizations focused on getting State level climate justice legislation passed.

The Problem: Under the current system for recycling, taxpayers and local governments bear the cost of managing and recycling waste and the entire system has become unmanageable and unsustainable. There are limited or no incentives for brands and producers to use recycled content, it is often cheaper for them to extract virgin fossil fuels to create their packaging than to use recycled goods, the vast majority of plastic waste is not recyclable, and the vast majority ends up in landfills, incinerators, and litters our communities and waterways. As a result, greenhouse gases and toxic pollutants are generated when the packaging is created, transported, and disposed, and the costs and burdens are borne by all except the producers.

The Solution: HB0036 shifts the responsibility for post consumer waste from taxpayers and municipalities to the companies that produce the packaging. It requires producers of packaging and paper to help local government cover the costs of collecting, transporting, and recycling these products and through fees, incentives producers to meet recyclability standards and environmental design criteria and to disincentive them from producing materials with limited end of life management options. The bill also requires producers of covered products to submit a product stewardship plan to MDE (the Maryland Department of the Environment) and provides for clear, standardized education to consumers about recycling.

Extended Producer Responsibility is not a new concept and has been in existence around the world for as long as 30 years in some places and many of the multinational companies are already subject to EPR laws like HB0036. These systems successfully shift costs of managing recycling from taxpayers to the producers and increases recycling rates to well over 50% and is an important means of preserving natural resources.

Extended Producer Responsibility is:

More Effective: Producers of packaging materials would have a direct economic incentive to produce packaging that can easily and profitably be managed by municipal recycling programs. And our communities would have an economic incentive to maintain robust recycling programs that no longer creates a tax-burden.

More Sustainable: Our current approach to recycling is not resilient to changes in the global recycling market. Because our communities must budget for recycling, when costs rise unexpectedly we may be forced to stop or restrict our program. EPR is an insurance policy for our communities when global recycling markets fluctuate.

More Equitable: Communities and taxpayers currently pay millions per year to manage packaging waste. Meanwhile, more and more disposable and wasteful packaging is entering the market every day because producers have no incentive to design less wasteful packaging. This leaves us all unfairly footing the bill for a problem we did not create. It is also a major contributor to the burgeoning toxic pollutants disproportionately burdening disadvantaged communities.

For these reasons we urge you to vote favorably for HB0036.

MLC Climate Justice Wing:

Maryland Legislative Coalition
MD Campaign for Environmental Human Rights
Chesapeake Climate Action Network
WISE
Frack Free Frostburg
Mountain Maryland Movement
Clean Water Action
Maryland Sierra Club
Howard County Indivisible
Howard County Sierra Club
Columbia Association Climate change and sustainability advisory committee
HoCo Climate Action
CHEER
Climate XChange - Maryland
Mid-Atlantic Field Representative/
National Parks Conservation Association
350 Montgomery County
Glen Echo Heights Mobilization
The Climate Mobilization Montgomery County
Montgomery County Faith Alliance for Climate Solutions
Montgomery Countryside Alliance
Takoma Park Mobilization Environment Committee
Audubon Naturalist Society

Cedar Lane Unitarian Universalist Church
Environmental Justice Ministry
Coalition For Smarter Growth
DoTheMostGood Montgomery County
MCPS Clean Energy Campaign
MoCo DCC
Potomac Conservancy
Casa de Maryland
Nuclear Information & Resource Service
Clean Air Prince Georges
Ji'Aire's Workgroup
Laurel Resist
Greenbelt Climate Action Network
Maryland League of Conservation Voters
Unitarian Universalist Legislative Ministry of Maryland
Concerned Citizens Against Industrial Cafos
Wicomico NAACP
Chesapeake Physicians for Social Responsibility
Chispa MD
Climate Law & Policy Project
Poor Peoples Campaign
Labor for Sustainability
The Nature Conservancy
Clean Air Prince Georges
350 Baltimore

HB36-Fav Testimony-TPMEC-EPR.pdf

Uploaded by: Younts, Diana

Position: FAV



Committee: Environment & Transportation

Testimony on: HB0036-- “Environment – Packaging, Containers, and Paper Products – Producer Responsibility”

Organization: Takoma Park Mobilization Committee
Person

Submitting: Diana Younts, co-chair

Position: Favorable

Hearing Date: February 9, 2021

Mr. Chairman and Members of the Committee,

Thank you for allowing our testimony today in support of HB0036, a bill that will complement Montgomery County’s Zero Waste Plan and Climate Action Plan by, among other things, incentivizing packaging producers to introduce less waste in to the waste stream and by disincentivize them to extract virgin fossil fuels to create their packaging.

The Problem: Under the current system for recycling, taxpayers and local governments bear the cost of managing and recycling waste and the entire system has become unmanageable and unsustainable. There are limited or no incentives for brands and producers to use recycled content, it is often cheaper for them to extract virgin fossil fuels to create their packaging than to use recycled goods, the vast majority of plastic waste is not recyclable, and the vast majority ends up in landfills, incinerators, and litters our communities and waterways. As a result, greenhouse gases and toxic pollutants are generated when the packaging is created, transported, and disposed, and the costs and burdens are borne by all except the producers.

The Solution: HB0036 shifts the responsibility for post consumer waste from taxpayers and municipalities to the companies that produce the packaging. It requires producers of packaging and paper to help local government cover the costs of collecting, transporting, and recycling these products and through fees, incentives producers to meet recyclability standards and environmental design criteria and to disincentive them from producing materials with limited end of life management options. The bill also requires producers of covered products to submit a product stewardship plan to MDE (the Maryland Department of the Environment) and provides for clear, standardized education to consumers about recycling.

Extended Producer Responsibility is not a new concept and has been in existence around the world for as long as 30 years in some places and many of the multinational companies are already subject to EPR laws like HB0036. These systems successfully shift costs of managing recycling from taxpayers to the producers and increases recycling rates to well over 50% and is an important means of preserving natural resources.

Extended Producer Responsibility is:

More Effective: Producers of packaging materials would have a direct economic incentive to produce packaging that can easily and profitably be managed by municipal recycling programs. And our communities would have an economic incentive to maintain robust recycling programs that no longer creates a tax-burden.

More Sustainable: Our current approach to recycling is not resilient to changes in the global recycling market. Because our communities must budget for recycling, when costs rise unexpectedly we may be forced to stop or restrict our program. EPR is an insurance policy for our communities when global recycling markets fluctuate.

More Equitable: Communities and taxpayers currently pay millions per year to manage packaging waste. Meanwhile, more and more disposable and wasteful packaging is entering the market every day because producers have no incentive to design less wasteful packaging. This leaves us all unfairly footing the bill for a problem we did not create. It is also a major contributor to the burgeoning toxic pollutants disproportionately burdening disadvantaged communities.

For these reasons we urge you to vote favorably for HB0036.

HB36_IndivisibleHoCoMD_FAV_RichardDeutschmann.pdf

Uploaded by: Deutschmann, Richard

Position: FWA



**HB36 – Environment – Packaging, Containers, and Paper
Products – Producer Responsibility
Testimony before House Environment & Transportation
February 9, 2021
Position: Favorable with Amendments**

Mr. Chair, Mr. Vice Chair and members of the committee, my name is Richard Deutschmann, and I represent the 700+ members of Indivisible Howard County. We are providing written testimony today in ***support of HB36***, to incentivize the plastics industry to be more a responsible global citizen. Indivisible Howard County is an active member of the Maryland Legislative Coalition (with 30,000+ members).



Our planetary home is in crisis. A crisis that is literally getting us buried in throwaway plastic. According to research by the Ellen MacArthur Foundation, by 2050 the ocean will contain more plastic by weight than fish. Scientists at Ghent University in Belgium recently calculated people who eat seafood ingest up to 11,000 tiny pieces of plastic every year. Recycling of single-use plastic is technologically limited and impractical, resulting in less than 10% rate of recycling. The plastic that does end up in our oceans persists for 100's of years, and kills an incalculable amount of marine animals each year. Despite all of this, ***the fossil fuel industry has responded with misinformation and aggressive growth goals, aiming to actually increase the amount of throwaway plastic that consumers use each year.***

This legislation is needed to incentivize producers to use materials and products that are more readily recyclable or compostable and disincentivize them from using materials and creating products that are hard to impossible to recycle. Shifting or expanding the responsibility to producers (Extended Producer Responsibility - EPR) for post-consumer waste lessens the costly burden on taxpayers and municipalities which are left to unfairly manage this massive waste issue.

Meanwhile, the producers of all of this waste have little to no incentives to make their packaging more sustainable because the disposal and environmental costs are incurred by local municipalities and taxpayers and not by the producers. Implementing a cost sharing model, shifts the costs from municipalities to producers and drives producers to reduce waste and meet recyclability standards and environmental design criteria.

EPR programs have been in place for decades and proven to be successful. In Europe, where EPR programs have been implemented, many countries have post-consumer products and packaging recycling rates above 70% or 80%.

HB 36 requires producers of products to submit a product stewardship plan to the Maryland Department of the Environment (MDE) and requires the stewardship plan to develop and achieve certain criteria, such as performance goals, financing methods, implementation plan, and public outreach and education.

This legislation establishes which producers and types of products are covered under this requirement. In the U.S., there are well over a hundred EPR policies already in place targeting many types of products such as electronics, paint, mattresses, carpet, fluorescent lighting and pharmaceuticals. **Bottles are included in this bill, but we join with some of our allies in requesting an amendment to remove bottles as a product covered by this bill. Bottles will have better recycling rates if they are recycled through a bottle deposit program.**

Extended Producer Responsibility (EPR) is a critical policy mechanism to help advance a zero waste future and a circular economy. For these reasons, we urge you to support HB 36 with an amendment to remove bottles from this bill.

Thank you for your consideration of this important legislation.

We strongly urge a favorable report with this amendment.

Richard Deutschmann
Columbia, MD 21045

HB0036_EPR_HocoClimateAction_FWA.pdf

Uploaded by: Feighner, Liz

Position: FWA



HoCoClimateAction.org
Howard County, Maryland

**Testimony in SUPPORT of Environment – Packaging, Containers, and Paper Products –
Producer Responsibility**

Hearing Date: February 9, 2021

Bill Sponsor: Delegates Lierman, Charkoudian, D. Jones, R. Lewis, Love, and Terrasa

Committee: Environment and Transportation

Submitting: Howard County Climate Action

Position: Favorable with Amendments

[HoCo Climate Action](#) -- a [350.org](#) local chapter and a grassroots organization representing more than 1,450 subscribers, and a member of the Howard County Climate Collaboration -- supports HB 36.

We strongly urge you to support the proposed bill that shifts the responsibility for post consumer waste from taxpayers and municipalities to the companies that produce the packaging. HoCo Climate Action's focus is the climate crisis and the greenhouse gases and toxic pollutants that are generated when the packaging is created, transported, and disposed continues to greatly exacerbate the climate crisis.

We are so alarmed by the increase in plastic and packaging production and waste, we held a [film screening and discussion panel of The Story of Plastic](#) in June of 2020 to highlight the plastic crisis link to the climate crisis. Production and the eventual disposal of all this packaging is becoming unmanageable and unsustainable. The vast majority of plastic waste is not recyclable and ends up in landfills, incinerators, and pollutes our communities and waterways which has harmful environmental and public health impacts. Meanwhile, the producers of all of this waste have little to no incentives to make their packaging more sustainable because the disposal and environmental costs are shouldered by local municipalities and taxpayers and not by the producers.

This bill is needed to incentivize producers to use materials and products that are more readily recyclable or compostable and disincentivize them from using materials and creating products that are hard to recycle. Implementing a cost sharing model, shifts the costs from municipalities to producers and drives producers to reduce waste and meet recyclability standards and environmental design criteria.

Extending responsibility to producers for the packaging products they create (Extended Producer Responsibility - EPR) has proven to be successful. In Europe, where EPR has been established for decades, many countries have post-consumer products and packaging recycling rates above 70% or 80%. HB 36 requires producers of products to submit a product stewardship plan to MDE and requires the plan to develop and meet certain criteria such as performance goals, implementation plan, and public outreach and education.

This bill also defines which producers and products are covered under this requirement. In the U.S., there are many EPR policies targeting many types of products such as electronics, paint, mattresses, carpet, fluorescent lighting and pharmaceuticals. Bottles are included in this bill, but we feel that bottles will have better recycling rates if they are recycled through a bottle deposit program. Therefore we request an amendment to remove bottles as a product covered by this bill.

Extended Producer Responsibility (EPR) is a critical policy mechanism to help advance a zero waste future and a circular economy. For these reasons, we urge you to support HB 36 with an amendment to remove bottles from this bill and we request you support HB 99 - Beverage Container Deposit Program.

HoCo Climate Action

HoCoClimateAction@gmail.com

Submitted by Liz Feighner, Steering and Advocacy Committee,

www.HoCoClimateAction.org

HB0036 Favorable with Amendments

Uploaded by: Hersey, Pat

Position: FWA

Testimony in SUPPORT WITH AMENDMENTS of HB0036 Environment – Packaging, Containers, and Paper Products – Producer Responsibility

Hearing Date: February 9, 2021

Bill Sponsor: Delegate Lierman

Committee: Environment and Transportation

Submitting: Less Plastic Please

Position: Favorable with amendments

Chairman Barve, Vice Chair Stein and members of the committee,

Finally, something we can all agree on.

We have a plastic waste crisis of epidemic proportions.

We are producing over 300 million tons of plastic every year, almost 50% of which is for single-use purposes – utilized for just a few moments, but on the planet for at least several hundred year. [1] We are eating a credit card worth of plastic a week. [2] This should give us all pause: Microplastics have now been found in placentas of unborn babies.[3]

And what are we doing to address one of the greatest challenges to face the planet? Not much. Current government and industry commitments are likely to reduce annual plastic leakage to the ocean by only 7 per cent. [4]

An implementation delay for action of five years would result in an additional ~80 million metric tons of plastic going into the ocean by 2040.[4]

Tackling this emergency will take a multi-prong approach. Bottle deposit systems, for example, have a long track record of successfully increasing recycling rates and reducing litter. For these reasons, bottles should be exempted from this bill. Extended Producer Responsibility for Packaging and Paper Products (EPR for PPP) is another vitally important arrow in our quiver.

Here's why:

American generators more waste than any other country in the world, but recycles less than any other developed nation. US represents 4 percent of the world's population but produces 12 percent of municipal waste. [5]

Packaging accounting for the largest percentage of solid waste at 40% and taxpayers pays.[6]

Communities are struggling to fund and manage robust and resilient recycling programs. [7]

The benefits of EPR illustrates the importance of having this legislation in Maryland:

- Dedicated, non-taxpayer funding to sustainably support collection, recovery and recycling, and management, where necessary

- The possibility of providing incentives to producers to incorporate environmental considerations into the design of their products and packaging through eco-modulation
- A more consistent and predictable system that enables states and, possibly, regions to take a more unified approach to strategic planning around recycling
- Potential for increased investment in the end-markets and recycling infrastructure
- Improve packaging design so that it is more recyclable and uses recycled content [8]

Think of EPR for PPP as an insurance policy for Maryland municipalities when global recycling markets fluctuate.

Extended Producer Responsibility for Packaging and Paper Products is not a new concept for most of the world. EPR for packaging is already effectively used in Australia, Brazil, and Canada, all 28 countries in the EU, and Russia. These systems successfully shift costs of managing recycling from taxpayers to the producers of packaging materials and increase recycling rates to well over 50%. [8]

Ultimately, Extended Producer Responsibility for Packaging Materials law is needed so our municipalities and taxpayers are no longer unfairly forced to shoulder the burden of managing and paying for recycling programs. The responsibilities of recycling need to be shared with the producers of the packaging who are currently profiting off of having us foot the bill.

I urge you to vote favorably with amendments on HB0036.

[1] <https://www.nrdc.org/stories/single-use-plastics-101#why>

[2] <https://www.weforum.org/agenda/2019/06/you-eat-a-credit-card-s-worth-of-plastic-a-week-research-says/>

[3] <https://www.sciencedirect.com/science/article/pii/S0160412020322297>

[4] <https://www.oneplanetnetwork.org/breaking-plastic-wave-comprehensive-assessment-pathways-towards-stopping-ocean-plastic-pollution>

[5] <https://www.nrdc.org/onearth/united-states-most-wasteful-country-world>

[6] <https://www.epa.gov/facts-and-figures-about-materials-waste-and-recycling/containers-and-packaging-product-specific-data>

[7] <https://www.wastedive.com/news/what-chinese-import-policies-mean-for-all-50-states/510751/>

[8]

https://d2ouvy59p0dg6k.cloudfront.net/downloads/2019_wwf_epr_legal_framework_analysis_vf.pdf

HB0036_UNF_NWRA_Packaging, Containers, & Paper Pro

Uploaded by: Kasemeyer, Pam

Position: FWA

Maryland-Delaware Solid Waste Association

a chapter of the

**National
Waste & Recycling
AssociationSM**

Collect. Recycle. Innovate.

TO: The Honorable Kumar P. Barve, Chair
Members, House Environment and Transportation Committee
The Honorable Brooke E. Lierman

FROM: Pamela Metz Kasemeyer
J. Steven Wise
Danna L. Kauffman

DATE: February 9, 2021

RE: **SUPPORT ONLY IF AMENDED** – House Bill 36 – *Environment – Packaging, Containers, and Paper Products – Producer Responsibility*

The Maryland Delaware Solid Waste Association (MDSWA), a chapter of the National Waste and Recycling Association, is a trade association representing the private solid waste industry in the State of Maryland. Its membership includes hauling and collection companies, processing and recycling facilities, transfer stations, and disposal facilities. MDSWA and its members **support** House Bill 36, **only if the legislation is amended**.

House Bill 36 proposes to create a framework for what is commonly referred to as “Extended Producer Responsibility” or EPR to address the growing challenges associated with recycling. MDSWA believes that the most effective approach to addressing current recycling challenges is to focus on initiatives to increase demand for recyclable materials through a focus on market development. That position is based on the fact that post-consumer content is an essential component to increased demand. However, market development has not been considered sufficient by many stakeholders and there is a growing interest in EPR. To that end, attached is the National Waste and Recycling Association’s policy position on EPR.

While the industry believes that EPR, appropriately structured, has the potential to positively impact current recycling challenges, the framework of an EPR program is critical to its success and, if not properly created and implemented, can result in upending existing recycling systems by creating duplicative and unnecessary programs that have failed to take into consideration current collection, processing and management infrastructure, and the flow of revenues and expenses. To that end, while House Bill 36 is clearly intended to provide a structure for addressing Maryland’s current recycling challenges, the legislation, as drafted, will have significant negative implications to the current marketplace and requires significant amendment to achieve its objectives.

For example, the legislation fails to recognize the significant variability across the State, relative to how waste and recyclables are collected and managed and its impact on the structure and effectiveness of an EPR program. Virtually every jurisdiction in the State approaches collection of both waste and recyclables in a different manner. Some jurisdictions provide collection to their residents through public employees, such as Baltimore City. Some jurisdictions contract with private haulers for collection. Some jurisdictions do not provide any collection and residents, or homeowners associations privately contract for collection and/or manage their disposal of waste and recyclables themselves.

The variability in collection and processing frameworks across jurisdictions must be accounted for in the development of an EPR program. It is just one example of a component of the recycling continuum that is not currently reflected in the legislation, as introduced. To that end, the bill requires significant amendment to ensure that the stewardship responsibility organization (SRO) created in the legislation is inclusive of the entire recycling supply chain. The SRO should be made up of equal representation of state and local government, recycling collectors, recycling processors and producers. Without such balanced representation, the program, as proposed, will not meet its objectives and could have significant unintended negative impacts on Maryland's current recycling infrastructure.

MDSWA applauds the sponsor for her interest in positively addressing recycling challenges in Maryland. To that end, MDSWA looks forward to working with the sponsor and other stakeholders to amend and reframe the legislation, as proposed. However, without the amendments outlined above and other required amendments that have been raised by interested stakeholders, MDSWA will not be able to support the legislation. Given the complexity of the legislation, if a thorough restructuring of the legislation cannot be accomplished during the pendency of the Session, MDSWA would recommend the bill be the subject of deliberation during the interim.

For more information call:

Pamela Metz Kasemeyer

J. Steven Wise

Danna L. Kauffman

410-244-7000

Extended Producer Responsibility

INTRODUCTION

Challenges with recycling have resulted in increased efforts to pass legislation at both the federal and state level advocating for extended producer responsibility (EPR). While well intentioned, many of these bills fail to address the root of the problems and also overlook existing recycling programs and their achievements.

DISCUSSION

Americans want accessible and effective recycling. They want sustainable products that support the circular economy. However, recycling is struggling. There are five major issues facing recycling right now:

- insufficient demand for some recyclables
- low prices for the combined recycling stream
- consumer behavior challenges
- public concern over plastic in the environment
- inexpensive virgin resources

The last twenty-five years of legislative history on recycling has been focused primarily on creating supply – without consideration of adequate end markets. Given that, our recycling system has been set up to continuously generate material even when demand falls and prices drop. Any legislation that proposes to address recycling issues need to first focus on correcting this problem by incentivizing the demand for recyclables, rather than continuing to focus only on adding supply.

Demand is key!

Until 2018, China's growing economy provided demand for recyclables from across the globe, including a significant portion of America's recyclables. This material was not dumped on China; rather Chinese companies paid to acquire these materials as feedstock to produce the products and packages that they sold to the U.S. and other countries. However, when the Chinese government banned some of the materials, demand for mixed paper and mixed plastics fell and the prices for these commodities plummeted accordingly. As their quality requirements and import licenses for cardboard have constricted, this market option has declined as an option for recyclables.

Recyclables can continue to be collected and sorted – however, every seller needs a buyer. Without end markets, material will not be recycled. Recycling legislation can create demand by requiring *packaging to have post-consumer recycled content*. This

will spur demand for more material, increasing the value of recyclables, strengthen the domestic recycling market, and help offset the cost of recycling.

Low prices

Historically, the commodity value from municipal recycling programs offset much of the cost of processing the material for sale; and in some case, municipalities saw a net benefit from the sale of recyclable commodities. However, when the markets for recyclables declines prices drop - sometimes to negative levels. Because paper is 60% of the curbside recycling stream, the price of paper has a high impact on all recycling programs. Increased demand for paper, as well as plastic and other materials, will stabilize prices making recycling sustainable in municipalities struggling with increased costs and unable to find markets for their materials.

Consumer behavior

Reducing contamination will improve recycling. This can be done by harmonizing recycling lists, reducing confusion, providing feedback to consumers through education and cart tagging, and providing clear and accurate labeling on packaging and recycled materials. Materials need to be truly recyclable. The myth that recycling is free of charge needs to be combated and consumers must understand that there is a true cost for recycling that is not mitigated by commodity values alone.

Public pressure associated with plastic waste in the environment

Ocean plastics are predominantly from developing countries with inadequate infrastructure. Most National Waste & Recycling Association (NWRA) members sell residential plastics domestically and many no longer export plastic recyclables. The Alliance to End Plastic Waste estimates that more than 90% of ocean debris originating from rivers come from just ten rivers - eight in Asia and two in Africa. Ideally, municipal plastic recyclables should only be exported to developed countries to reduce the potential of mismanagement of exported material.

NWRA POSITION

In order to address the challenges outlined above, NWRA prefers efforts focused on increasing demand for recyclable materials to allow market forces to incentivize recycling. Increased use of post-consumer content is an essential component to increased demand. In circumstances where these efforts are not sufficient to increase demand, EPR may be considered. When EPR has been proposed, NWRA supports the following:

1. Recycling legislation should seek to support and invigorate existing recycling systems by strengthening them rather than upending them with duplicative and unnecessary programs. Such legislation should focus on investment in infrastructure and incentives to create new markets for recycled materials.

2. Recycling legislation should consider how to improve end market demand focused on inclusion of incentives for use of post-consumer materials. This extends beyond processing and mills and includes the products and goods we purchase and use every day. Minimum content requirements should be established based on material type.
3. Federal, state, and local governments should incorporate post-consumer materials in their purchase requirements where appropriate.
4. State and local governments should retain control over their recycling programs. Local stakeholders understand the needs and complexities of their communities and are the most adept at finding solutions.
5. Producers should assume responsibility for their packaging by considering the end-of-life when designing packaging. Packaging should be designed to promote recycling and sustainable outcomes.
6. The cost of EPR should be borne by the product manufacturers/brands.
7. The preferred model for EPR should be as a Stewardship Responsibility Organization (SRO) system that is inclusive of the recycling supply chain. The non-profit SRO should be made up of equal representation state government, local government, recycling collectors, recycling processors and producers/brands. This is critical to ensure consideration of the entire value chain. The SRO should distribute funds to local governments to support recycling programs.
8. State legislation should place responsibility on the SRO to improve recycling by harmonizing lists, encouraging investments in end markets for materials, coordinating education and enforcement, supporting the improvement of existing collection and processing infrastructure, and supporting litter cleanup.

Updated July 2020

Testimony on MD HB36 w.amendments.pdf

Uploaded by: Keane, Alison

Position: FWA

Testimony as Favorable with Amendments
to
House Bill 36
in
Maryland House Environment and Transportation Committee
on
February 9, 2021

The Flexible Packaging Association (FPA) is submitting testimony as favorable with amendments to HB36, “An Act concerning – Packaging, Containers, and Paper Products – Producer Responsibility,” which would establish an extended producer responsibility (EPR) act for packaging and paper.

I am Alison Keane, President and CEO of FPA, which represents flexible packaging manufacturers and suppliers to the industry in the U.S. Flexible packaging represents \$33.6 billion in annual sales; is the second largest, and fastest growing segment of the packaging industry; and employs approximately 80,000 workers in the United States. Flexible packaging is produced from paper, plastic, film, aluminum foil, or any combination of these materials, and includes bags, pouches, labels, liners, wraps, rollstock, and other flexible products.

These are products that you and I use every day – including hermetically sealed food and beverage products such as cereal, bread, frozen meals, infant formula, and juice; as well as sterile health and beauty items and pharmaceuticals, such as aspirin, shampoo, feminine hygiene products, and disinfecting wipes. Even packaging for pet food uses flexible packaging to deliver fresh and healthy meals to a variety of animals. Flexible packaging is also used for medical device packaging to ensure that the products packaged, diagnostic tests, IV solutions and sets, syringes, catheters, intubation tubes, isolation gowns, and other personal protective equipment maintain their sterility and efficacy at the time of use. Trash and medical waste receptacles use can liners to manage business, institutional, medical, and household waste. Carry-out and take-out food containers and e-commerce delivery, which are increasingly important during this national emergency, are also heavily supported by the flexible packaging industry.

Thus, FPA and its members are particularly interested in solving the plastic pollution issue and increasing the recycling of solid waste from packaging. We believe that HB36, with amendments, can accomplish these goals. Flexible packaging is in a unique situation as it is one of the most environmentally sustainable packaging types from a water and energy consumption, product-to-package ratio, transportation efficiency, food waste, and greenhouse gas emissions reduction standpoint, but circularity options are limited. There is no single solution that can be applied to all communities when it comes to the best way to collect, sort, and process flexible packaging waste. Viability is influenced by existing equipment and infrastructure; material collection methods and rates; volume and mix; and demand for the recovered material. Single material flexible packaging, which is approximately half of the flexible packaging waste generated, can be mechanically recycled through store drop-off programs, however, end-markets are scarce. The other half can be used to generate new feedstock, whether through pyrolysis, gasification, or fuel blending, but again, if there are no end markets for the product, these efforts will be stranded.

Developing end-of-life solutions for flexible packaging is a work in progress and FPA is partnering with other manufacturers, recyclers, retailers, waste management companies, brand owners, and other organizations to continue making strides toward total packaging recovery. Some examples include The Recycling Partnership; the Materials Recovery for the Future (MRFF) project; the Hefty® EnergyBag® Program; and the University of Florida's Advanced Recycling Program. All of these programs seek to increase the collection and recycling of flexible packaging and increasing the recycled content of new products that will not only create markets for the products but will serve as a policy driver for the creation of a new collection, sortation, and processing infrastructure for the valuable materials that make up flexible packaging.

FPA believes that a suite of options is needed to address the lack of infrastructure for non-readily recyclable packaging materials, and promotion and support of market development for recycled products is an important lever to build that infrastructure. We also believe that EPR can be used to promote this needed shift in recycling in the U.S. In fact, FPA worked with the Product Stewardship Institute (PSI) and have jointly drafted a set of principles to guide EPR for flexible packaging (<https://www.flexpack.org/end-of-packaging-life>). This dialogue looked at the problems and opportunities for EPR to address the needs of the flexible packaging industry to

reach full circularity for over a year. It is with this background that FPA provides this testimony and supports the amendments to improve HB36. We believe the amendments will provide the necessary elements for the enhancement of current collection, infrastructure investment, and development of advanced recycling systems, that will allow for collection and recycling to a broader array of today's packaging materials, including flexible packaging; and quality sorting and markets for currently difficult-to-recycle materials.

We were pleased to work with Delegate Lierman to address our issues with the bill as introduced, including the definition of producer, which is now more clearly defined; the rates and dates for recyclability and postconsumer recycled content, which were unachievable as written, but will now be part of the program plan process with an advisory group and approval from the Department; spending that will now not only be for current infrastructure, but new infrastructure and market development as well; a more robust antitrust protection provision to meet both federal and state requirements; and the deletion of the joint and several liability provision for the stewardship organization (SO) and producers participating in the SO, which we believe would have encouraged lawsuits instead of the collaborative effort that will be needed amongst competitors to make the SO successful.

For these reasons, FPA is favorable with amendments and believes that with the amendments HB36 will support a meaningful EPR program for packaging; providing the necessary investment in new infrastructure and markets for all packaging, including flexible packaging. In advance, thank you for your consideration. If we can provide further information or answer any questions, please do not hesitate to contact me at 410-694-0800 or akeane@flexpack.org

CRE_Testimony_MD_HB36_House_Environment_&_Transpor

Uploaded by: Mayhew, Kim

Position: FWA



**Testimony in SUPPORT IF AMENDED to HB 36
Maryland House of Delegates
Environment and Transportation Committee
February 9, 2021**

Philip Rozenski
President and Chief Executive Officer
Campaign for Recycling and the Environment
1090 Vermont Avenue NW
Washington, DC 20005

Members of the Environment and Transportation Committee,

Good afternoon and thank you for the opportunity to present testimony regarding HB36: “Environment – Packaging, Containers, and Paper Products – Producer Responsibility.” My name is Philip Rozenski and I represent the Campaign for Recycling and the Environment (CRE), a national association of consumer and commercial packaging manufacturers whose goal is to bring together our members, consumers, and lawmakers to find an effective, environmentally responsible, consumer-focused solution to reduce the amount of waste that goes into our landfills and litters our environment.

CRE aims to reduce packaging waste and improve our recycling infrastructure by supporting and advocating for Packaging Stewardship legislation to create a better system for industry, government, and consumers. Our members have extensive experience working on sustainability legislation globally, and HB 36 has a framework that represents the key principles of a successful Packaging Stewardship policy. HB 36 symbolizes a bridge from the existing recycling and composting infrastructure that works for only a few materials, to the sustainable infrastructure needed for the future of all Marylanders.

Packaging producers need to be incentivized and empowered to generate and use recyclable materials. Meanwhile, government needs to set broad direction and provide oversight to ensure a fair playing field. HB 36 addresses three key Packaging Stewardship reform criteria:

- **Funding:** Packaging producers charge small fees on the use of their products, which they provide to a nonprofit that is charged by industry with building and maintaining recycling infrastructure. Since packaging producers have their own money staked in the effort, they are incentivized to do so as effectively and efficiently as possible.
- **Infrastructure:** With the funding and initiative to do so, industry can embark on the development of processing and recovery infrastructure.
- **Collective/Coordinated vision:** State government provides broad guidance and oversight, and industry, through a nonprofit, executes on the guidance, aligning all stakeholders under one unified plan.

Because of the inclusion of these key principles in HB 36, CRE is pleased to see that the bill sponsors carefully considered the elements of real reform necessary to solve this collective need. The sponsors clearly considered feedback from industry and other important stakeholders and offered goals that are respectful of industry and government realities.

CRE is also encouraged to see the establishment of a PSO board that reflects all major stakeholder voices. With the PSO in place, industry can develop the recovery and processing infrastructure that sustainably manages packaging. One area of improvement we think could benefit the functioning of the PSO is to gather additional feedback on clause 9–2308 (B) IF A PENALTY IS IMPOSED ON A STEWARDSHIP ORGANIZATION UNDER THIS SECTION, EACH PRODUCER PARTICIPATING IN THE STEWARDSHIP ORGANIZATION IS JOINTLY AND SEVERALLY LIABLE FOR THE PAYMENT OF THE PENALTY. We feel this clause as written could dissuade important stakeholders from participation.

Packaging Stewardship creates a better system for all materials that not only protects our environment but is economically sustainable and self-funding. CRE is encouraged by the framework of HB 36 and looks forward to working with the Committee. For these reasons, CRE supports HB 36 if amended, and urges the Committee to consider the proposed changes listed above. If we can provide further information or answer any questions, please do not hesitate to contact me at 618-402-4244.

MD House testimony HB 36

Uploaded by: Phillips, Ron

Position: FWA

Testimony of

Mr. Ron Phillips, on behalf of the Animal Health Institute

On HB 36, Environment – Packaging, Containers and Paper Products – Producer Responsibility

Committee on Environment and Transportation and
Committee on Economic Matters

February 9, 2021

Mr. Chairman and members of the Committee, my name is Ron Phillips and I am here today on behalf of the Animal Health Institute. AHI is the U.S. trade association for research-based manufacturers of animal health products – the medicines that keep pets and livestock healthy. Our members are sponsors for a majority of the pioneer animal drugs approved by FDA and used by veterinarians and producers in Maryland. As such, we have a tremendous interest in the proposed legislation.

The animal health industry is committed to improved sustainability in all facets of the supply chain, including the packaging used to deliver safe products to customers. Many companies have already made changes to reduce unnecessary packing waste, including replacing styrofoam packing needed to keep vaccines cold with reusable coolers.

Sustainability is one factor among many that animal health companies must consider in the packaging equation. Medical products for animals are required to be sterile or enclosed in packaging with tamper-resistant seals to protect public health. Other factors that must be considered include:

- protection against all adverse external influences that can alter the properties of the product, e.g., moisture, light, oxygen, and temperature variations;
- protection against biological contamination;
- protection against physical damage;
- ability to carry the correct information and identification of the product;
- ability to ensure these requirements are met throughout the whole of the intended shelf-life of the product.

Additionally, depending on the requirements from the governing federal agency, products may be labeled with specific instructions on disposal.

The kind of packaging and the materials used must be chosen in such a way that the packaging itself does not chemically interact with the product through leaching or absorption. Conversely, the packaging must not allow the product to have an adverse effect on the packaging, changing its properties or affecting its protective function.

Animal health products are licensed by three different federal agencies, each with their own unique packaging standards and requirements.

1. Drugs approved by the Food and Drug Administration under the Food, Drug and Cosmetic Act. Sponsors must specify for the agency the materials of construction and packaging used for each product and provide data showing those factors will maintain stability of the product over its shelf life. Consequently, each product has its own unique approved packaging. Changes to product packaging take months of development followed by FDA review and approval.
2. Vaccines and biologics are approved by the US Department of Agriculture under the Virus, Serum, Toxins Act. Manufacturers are required to ensure packaging maintains the integrity of the vaccine, so temperature is a major consideration. Packaging must also accommodate detailed USDA labeling requirements.
3. Flea and tick prevention products are approved by the Environmental Protection Agency under the Federal Insecticide, Fungicide and Rodenticide Act. FIFRA §25(c)(3) authorizes EPA to establish standards with respect to the package, container, or wrapping in which a pesticide or device is enclosed to protect children and adults from serious injury or illness resulting from accidental ingestion or contact with pesticides or devices regulated under FIFRA. Additionally, §25(c)(3) requires EPA's CRP standards to be consistent with those established under the Poison Prevention Packaging Act of 1970.

In order for animal health companies to maintain product safety and stability while increasing the sustainability of packaging, we ask that animal health products not be subject to the requirements of this bill and offer this possible exemption language:

For purposes of this chapter/section, the following products shall not be considered covered products:

- (1) Drugs, medical devices, biologics, or diagnostics approved or authorized by the Food and Drug Administration or United States Department of Agriculture for use in animals;
- (2) Veterinary pesticide products approved by the Environmental Protection Agency for use in animals.
- (3) Medical products for animals required to be sterile or enclosed in packaging with tamper-resistant seals to protect public health.

We appreciate the opportunity to testify today and would be happy to answer any questions.

HB36 Extended Producer Responsibility.pdf

Uploaded by: Shangold, Natasha

Position: FWA

Dear Members of the Environment and Transportation Committee,

I am writing to request a favorable report on HB36: Extended Producer Responsibility / Product Stewardship for Packaging & Paper Products with the amendment to remove bottles from the bill.

The Problem:

- Taxpayers and local governments are bearing all of the cost of managing waste and recycling, and it is becoming unmanageable and unsustainable
- There are limited incentives for brands and producers to use recycled content while creating new packaging AND/OR to create packaging and products that are recyclable
- Oftentimes (depending on oil prices) it is actually cheaper for them to create products with virgin materials
- Recycling rates have stagnated in Maryland over the past few years. Too few products are recyclable. The majority of waste is landfilled or incinerated, which has harmful environmental and public health impacts; plus, it is expensive for local governments to operate. Recycling is better for the environment and can be profitable for local government.
- Single-use products and packaging litter Maryland and its waterways, and overwhelm its waste management systems

The Solution: Reduce waste, implement cost sharing, and make brands and producers part of the solution.

- Decrease the volume of solid waste and litter upstream by steering producers to meet recyclability standards and environmental design criteria
- Through fees, incentivize producers to use materials and products that are more readily recyclable or compostable and disincentivize them from using materials and creating products that have limited end-of-life management options
- Provide clear, standardized education to consumers about recycling
- Require that the creators of plastic and packaging waste - the producers and brands - help local governments foot the bill for management of remaining waste and recycling

What this bill does:

- Defines covered products as packaging and containers and paper products, with certain exemptions

- Defines producers as businesses who manufacture, sell, import, or distribute the covered material(s) in the state of Maryland
- Requires producers of covered products to submit a product stewardship plan to MDE
- Producers may band together to create a nonprofit product stewardship organization so that they can work collectively on a stewardship plan
- Requires the stewardship plan to develop and execute on the following (once approved):
 - Membership: list of all brands and producers covered by the stewardship plan
 - Performance goals for recycling rates, post-consumer recycled material content rates, proportion of covered products that are readily recyclable or compostable
 - Implementation plan: describe how performance goals will be met or exceeded
 - Methods of financing: i.e., fee structure for members, reimbursement plan for local governments, and incentives / disincentives to encourage producers to reduce waste and improve recyclability, ultimately improving product design
 - Stakeholder engagement: collaboration with local governments., haulers, recyclers, etc.in the creation of the product stewardship plan and reimbursement system
 - Public outreach and education to promote proper end-of-life management and prevent litter
 - Staffing: how the staffing and administration of the product stewardship plan will be handled
- Maintains existing municipal waste and recycling systems
- Holds producers accountable through reporting requirements, civil penalties, independent audits, and regular reviews and reauthorizations of the product stewardship plan(s)

FAQs

1) What is Extended Producer Responsibility (EPR)?

EPR is policy implemented by national or state legislation and regulation that assigns responsibility for end-of-life management of specific products and packaging to the companies or producers that put these products into the marketplace.

2) Are there already laws on EPR for packaging and paper products?

EPR for packaging and paper products is being implemented all over the world, including Canadian Provinces and most of Europe and Asia. In some countries, it's been around as long as 30 years. Many businesses who manufacture, sell, import, or distribute packaging and paper products in Maryland are multinational corporations who are already subject to ERP to laws like HB36 in other countries that they operate in. There are no laws governing EPR for packaging and paper products on the books in the U.S. yet, however many states are currently considering

legislation similar to Maryland's, including: Connecticut, Indiana, Illinois, Maine, Massachusetts, New York, Oregon, Rhode Island, and Washington. EPR laws for things like electronics, mattresses, batteries, paint, pharmaceuticals, and products that contain mercury do exist in the U.S. and have for years. There are over 30 existing EPR laws in the books in the Northeast alone, requiring companies that put the aforementioned products on the market to fund and properly manage their disposal.

3) Why is EPR being used as a tool to support recycling?

In most cases, the cost of residential recycling is borne by municipalities and their taxpayers, and the majority of what is recycled is packaging and paper products. EPR provides financial relief to local governments by re-allocating the costs of managing packaging and paper to the companies that put these materials/ products in the market. Producers will reimburse local governments for costs associated with existing processes for collecting, transporting, and processing covered materials and products, and will create grants for local governments interested in advancing their recycling infrastructure. EPR also improves recycling outcomes by steering producers - through recycled content goals, recycling goals, and incentives/ disincentives - to use less packaging and develop packaging that is more readily recyclable. These goals will also support recycling markets, making it possible for recycling to be profitable for local governments.

4) How are EPR programs financed?

Businesses who manufacture, sell, import, or distribute packaging and paper products pay fees to the product stewardship organization (higher fees if their product/ packaging is not recyclable, lower fees if their product is readily recyclable). These fees are used to fund staffing for the product stewardship organization, oversight by MDE, and reimbursements and grants for local governments. Ultimately, the producers pay for the management of their own packaging - including collecting, transporting, and processing - instead of taxpayers / municipal governments.

5) Will costs be passed on to consumers?

There is no evidence to suggest that the costs of products would increase. Experience in the Canadian provinces has demonstrated that the costs of consumer products did not increase as a result of the implementation of EPR for Packaging & Paper Products.

Thank you for your consideration.

Natasha Shangold

8937 Skyrock Ct

Columbia, MD 21046

HB36-2021 _EPR_Tevelow_FWA.pdf

Uploaded by: Tevelow, Carla

Position: FWA

To Delegates: Lierman, Charkoudian, D. Jones, R. Lewis, Love and Terrasa

Support HB0036- Environment -Packaging, Containers and Paper Products-Producer Responsibility

For far too long environmental concerns have been allocated to the consumers and their municipalities. It's been at least 3 decades, industries have been promoting recycling as a means to dealing with the trash of their packaging. This ruse used by corporations has only encouraged more wasteful packaging and has done little to alter the dilemma. As published by Oceana, more than 500,000 volunteers around the world collected over 18 million pounds of trash from local waterways one day in September 2017. It's been reported that only 10% of plastic is recycled. Documentaries show cities in foreign countries where plastic is piled 2 feet high. It's time for producers and businesses who create this packaging to help alleviate the problem.

HB0036 Extended Producer Responsibility(EPR)/Product Stewardship for Paper Products and Packaging is a good start. This law takes the burden of recycling costs out of the hands of the end-users and places it back onto the manufacturers and companies which supply the products and materials. Accordingly, achievement will be reached through various means such as reimbursing costs of collecting, transporting, and processing the materials. In addition, the businesses will contribute grants to help local governments support updating/upgrading recycling infrastructure. Enhancing our technology in these areas will lower the cost and energy output currently in use.

Data from Canada shows there is no increase of product price to the consumer by implementing these operations onto the companies. This law will be an asset in bringing about a cleaner environment, thus helping to mitigate climate change in our state.

Please support HB0036 with the amendment and remove the bottles from this bill.

Thank you,
Carla Tevelow
10205 Wincopin Circle
Columbia, MD 21044

HB36 - Packaging, Containers, & Paper Products-Pro

Uploaded by: Tulkin, Josh

Position: FWA



7338 Baltimore Ave
Suite 102
College Park, MD 20740

Committee: Environment and Transportation

Testimony on: HB36 “Environment – Packaging, Containers, and Paper Products – Producer Responsibility”

Position: Support with Amendments

Hearing Date: February 9, 2021

The Maryland Chapter of the Sierra Club supports this bill, which would establish a program of extended producer responsibility for producers of packaging and paper products in Maryland. Manufacturers would submit to the Maryland Department of Environment a Stewardship Plan for the end-of-life management of their products. The Plan would include: the producers and brands covered; goals for waste reduction, minimum recycled content, and recycling rates; financing methods; public outreach; and reducing packaging through product design. The program would reimburse local governments for the costs of collection, transporting, and processing the covered materials and products. **We propose amendments: (1) to exclude certain beverage containers from covered products because of the much higher efficacy of a beverage container deposit in terms of recycling, quality of product, and impact on reducing litter; and (2) to strengthen the waste reduction goal of the Plan.**

This bill is one of several critical components to addressing the worldwide plastic pollution crisis, much of which is due to single-use plastic packaging. According to the US Environmental Protection Agency, in 2017, 55% of municipal solid waste in the United States was composed of product packaging and paper products addressed by this bill.¹ Only about 13 percent of plastic packaging was recycled, in part because multi-layer packaging, multi-resin pouches, and aseptic cartons for beverages and soups are not designed to be recyclable. Plastic film is generally not accepted for single stream recycling; it jams equipment, becomes contaminated, and there’s no market for it. Not measured by these statistics is plastic packaging that escapes into the environment as litter. Seven of the top ten plastic items collected in beach cleanups in the US are plastic packaging or containers.²

The program established by this bill has both environmental and financial objectives. Through the stewardship plan, producers of the covered products will commit to achieving specific environmental performance goals for a minimum postconsumer recycled material content rate and a minimum recycling rate for covered materials or products that include a goal for all single-use packaging and products to: (a) have at least 75% postconsumer content by October 1, 2027; (b) be readily recyclable or compostable by October 1, 2030; and (c) be reduced, to the maximum extent practicable, and by not less than 25% by October 1, 2030. In terms of financial goals, producers will reimburse local governments for costs associated with collecting, transporting, and processing their products, shifting the end-of life financial responsibilities from local government to producers. The financing mechanisms of the Plan have the possibility of incorporating environmental considerations into the design of the products.

¹ https://www.epa.gov/sites/production/files/2019-11/documents/2017_facts_and_figures_fact_sheet_final.pdf, Table 4.

² Food wrappers, bottle caps, plastic beverage bottles, plastic bags, lids, takeout containers (plastic and foam). 5Gyres *et al.* 2017. *Better Alternatives Now: BAN 2.0*.

Founded in 1892, the Sierra Club is America’s oldest and largest grassroots environmental organization. The Maryland Chapter has over 75,000 members and supporters, and the Sierra Club nationwide has over 800,000 members and nearly four million supporters.

There are over 118 programs for extended producer responsibility in 33 U.S. states, but to date no state has adopted one for packaging and paper products. However, these programs are common internationally, in Canada, the European Union, Russia, and Brazil (to name a few).³ Maryland is one of about a dozen states considering such programs. The producers that would participate in Maryland’s program include major multinational corporations that are already participating in packaging stewardship programs elsewhere in the world; small producers are exempted.

The Sierra Club is strongly committed to the principles of this groundbreaking legislation, but requests two amendments for an even larger impact on reducing waste from packaging.

First, beverage containers made of plastic, glass, and aluminum should be excluded from the program because a beverage container deposit program with a 10-cent deposit has been shown to raise recovery rates for these containers to 90 percent, a level of recycling that is unmatched by any conventional recycling program, while producing source-separated, high quality, materials for recycling. Furthermore, beverage container deposit programs are among the most effective in existence for reducing litter.⁴ As we noted in our testimony for HB99, the Beverage Container Deposit bill, Maryland’s current estimated recycling rate for beverage containers is 22%; a 10-cent deposit program would raise the recovery rate to 90%, while having an enormous impact on litter, which is how plastic finds its way into the ocean. The extended producer responsibility program for packaging would not be expected to have nearly the impact on litter reduction. Our amendment #1 (attached) would keep in the stewardship program several more difficult-to-recycle beverage containers that are not normally part of beverage container deposit programs (e.g., multi-resin pouches, aseptic cartons, multi-layer packaging, gabled paper cartons).

Second, we request that the waste reduction goal for single-use plastic packaging be doubled, to 50% by October 1, 2030 (amendment #2, attached).

HB36 is not a silver bullet for solving the plastic pollution crisis – the plastic bag ban, a beverage container deposit program, and other policies to reduce production and demand for single-use plastic are also important. **However, this bill is one of several critical elements and with these amendments we request a favorable report.**

Martha Ainsworth, Chair
Chapter Zero Waste Team
Martha.Ainsworth@MDSierra.org

Josh Tulkin
Chapter Director
Josh.Tulkin@MDSierra.org

Attachment: Proposed Amendments

³ Northeast Recycling Council (NERC) and Northeast Waste Management Officials’ Association (NEWMOA). 2020. “White Paper: Extended Producer Responsibility (EPR) for Packaging and Paper Products.” April.

⁴ “...there is little evidence that any other program, in and of itself, is nearly as effective as deposit programs at reducing litter rates.” University of Maryland, Environmental Finance Center (EFC). 2011. “2011 Impact Analysis of a Beverage Container Deposit Program in Maryland.” December 15. page 4.



7338 Baltimore Ave
Suite 102
College Park, MD 20740

Proposed amendments to HB 36

Amendment #1: Removes beverage containers potentially covered by a deposit program

Remove p. 3, line 7: [(V) BEVERAGE CONTAINERS]

Replace p. 3, lines 8-9 with:

(3) "COVERED MATERIALS AND PRODUCTS" DOES NOT INCLUDE:

(I) ANY LITERARY, TEXT, OR REFERENCE BOUND BOOK; OR

(II) BEVERAGE CONTAINERS MADE OF PLASTIC, GLASS, OR ALUMINUM

Amendment #2: Strengthens requirements for reducing single-use plastic packaging and foodware

Replace p.5, lines 6-8:

(III) ALL SINGLE-USE PLASTIC PACKAGING AND SINGLE-USE PLASTIC FOODWARE TO BE REDUCED [, TO THE MAXIMUM EXTENT PRACTICABLE, AND BY NOT LESS THAN 25%] BY 50% BY OCTOBER 1, 2030.

Founded in 1892, the Sierra Club is America's oldest and largest grassroots environmental organization. The Maryland Chapter has over 75,000 members and supporters, and the Sierra Club nationwide has over 800,000 members and nearly four million supporters.

HB36 PGAMA.pdf

Uploaded by: Bennett, Tyler

Position: UNF



Printing & Graphics Association MidAtlantic

HB36 Environment – Packaging, Containers, and Paper Products – Producer Responsibility Opposition

The Printing & Graphics Association Mid-Atlantic respectfully opposes HB36. The printing & graphics industry in Maryland encompasses roughly 16,000 employees across 500 companies and is among the largest manufacturing sectors in the state. This legislation would increase costs to manufacturers which would then be passed on to our members, despite the paper industry leading the way in recycling. The vast majority of our members are small businesses facing extraordinary market challenges.

According to the most recent available data provided by the EPA, the paper industry is far and away the leader in recycling rates and landfill avoidance. As a percentage of generation, 68% of paper or paperboard products are ultimately recycled, with just 26% ending up in a landfill. Compare that to the 9% recycling rate for plastics, with 76% ending up in a landfill. When you look at paper container and packaging specifically, these rates are even better. 80% are recycled, with just a 15% landfill rate.

Due to this inequity between the paper industry compared to other recyclable materials, this legislation would create an unfair burden on our industry, which is already more than pulling its weight.

Jay Goldscher
President and CEO
PGAMA
jay@pgama.com

Tyler Bennett
Compass Government Relations Partners
tbennett@compassadvocacy.com

MD HB 36 testimony Tekni-plex

Uploaded by: Braddon, George

Position: UNF



February 9, 2021

MDH.B.0036: Environment – Packaging, Containers, and Paper Products – Producer Responsibility

Mr. Chairman Barve and Members of the House Environment and Transportation Committee,

Thank you for the opportunity to make comments on HB 0036.

We think the recycling rate is too high too soon. We know from our own experience in purchasing recycled material that there is not enough material available to meet these aggressive goals; whole new systems for collection and recycling are going to have to be created. We recommend a rate of 15% for 2-3 years, 25% for 2-3 years, and a maximum recycling rate of not more than 50%. This will allow time for recycling facilities to ramp up production to meet the new demand for recycled material.

But in order to meet these goals, producers will need access to all types of recycled content. The bill does not include a definition of recycled content. We suggest that recycled content be defined to mean “any recycled or reused material that a producer uses in lieu of purchasing new materials that are not recycled or reused.” This definition allows producers to reduce, reuse and recycle all types of material, including:

- Plastic from used coat hangers collected from stores—this is an important source of our company’s current recycled content, and it helps to divert hangars from the waste stream.
- Scrap that we could buy from a producer that has material available for sale.
- Other post-consumer recycled content.

A more narrow definition will not allow producers to reach the desired targets due to:

- Food safety concerns that drive FDA restrictions on the permissible sources of post-consumer recycled content for food packaging.
- A limited supply of available post-consumer recycled material.

Second, the bill needs clarification on how recycled content will be measured. We suggest that a producer be required to demonstrate that its products meet the requirement on an average annual basis. Recycled content may not be steadily available, so one day’s production may have a high recycled content and the next day’s less. Also, because of the way in which recycled content and non-recycled content are mixed in the production process, producers cannot guarantee that every single unit produced will individually meet the content requirement.

Third, the requirement that all single use packaging be readily recyclable or compostable by 2030 will effectively ban many common products unless there is major development of collection and recycling markets. No one can foresee how that will unfold. Similar proposed legislation in New Jersey allows a manufacturer to apply for a waiver if it is not possible to meet the goals. We suggest including a similar provision in this legislation for both the recycled content requirement and the recyclability/composability requirement.

Fourth, the current draft defines covered materials or products to include any “part” of a package or container. We believe that this confuses the implementation and enforcement of the legislation. For example, a spray

Tekni-Plex, Inc.

460 East Swedesford Road, Suite 3000 ▪ Wayne, PA 19087 ▪ Phone (484) 690-1520 ▪ Fax (484) 367-7819

bottle may include a container, a trigger, a nozzle, a gasket, a tube to dispense the product...does the legislature really intend to separately regulate nozzles? It seems wiser to regulate the package as a whole.

Lastly, the bill proposes that all single use plastic packaging be reduced "to the maximum extent practicable and by not less than 25% by 2030." This is vague. Does this refer to units? To total weight? To an individual producer or the market as a whole? What is the base against which the 25% is compared? Until this is more clear, it is hard to even have a productive dialogue. But even the concept seems unnecessary in light of the other requirements of this bill and some of the product bans already passed by the legislature. We suggest that this be removed from the bill.

Respectfully,



George Braddon

Tekni-Plex, Inc.

460 East Swedesford Road, Suite 3000 ■ Wayne, PA 19087 ■ Phone (484) 690-1520 ■ Fax (484) 367-7819

2.5.21 testimony md hb 36.pdf

Uploaded by: canan, kevin

Position: UNF



February 5, 2021

Delegate Kumar P. Barve
Room 251
House Office Building
Annapolis, Maryland 21401

Chair Barve and Members of the Committee,

On behalf of the members of the Product Management Alliance (PMA), we appreciate the opportunity to express the Product Management Alliances' position on HB 36 - Environment – Packaging, Containers, and Paper Products – Producer Responsibility

My name is Kevin Canan, and I serve as the Executive Director of the Product Management Alliance (“PMA”). By way of introduction, the PMA is a coalition comprised of trade associations and corporations that represent a broad array of consumer products. Our mission is to support market-based extended producer responsibility (EPR) efforts, as well as voluntary incentives for increased recovery and sustainable products and package design.

PMA’s members have long strived to voluntarily recover post-consumer packaging. The PMA understands and appreciates that the sponsors of this legislation desire to seek ways to improve the recovery rates of consumer packaging. However, we believe the legislation is unnecessary, and we are very concerned that the proposed legislation, if implemented, simply would add costly and unnecessary mandates in Maryland. This type of restrictive legislation is likely to have a chilling effect on manufacturers and retailers doing business in Maryland, and as a result business very well could be lost to neighboring states.

While your goal of reducing waste is laudable, EPR programs would set up a confusing and bureaucratic system of recovery for the residents of the state with similar types of products having very different end-of-life recovery schemes. In addition, the implementation of such programs may actually hinder waste reduction and result in less reduction in waste overall.¹ For example, packaging for major appliances is usually removed when the product is delivered and installed in the home. The companies that are in the business of installing appliances are profit-driven and, therefore, have a large incentive to recycle any part of this packaging that has value. Almost all of this packaging has value or is recyclable after it is used -- approximately 46 percent of the packaging (by weight) for major home appliances is wood crates or pallets (much of this, if any, actually reaches consumers), 40 percent of the packaging in appliances delivered for

¹ Schwartz, Joel and Dana Joel Gattuso. 2002. Extended producer responsibility: Reexamining its role in environmental progress. Reason Public Policy Institute. Available at: <http://www.reason.org/files/513cbdab3d05aaa322e4fbfb3a0ee1c5.pdf>

dismantling is corrugated cardboard, and 8 percent is paper. Also, expanded polystyrene (EPS), if compacted, is recyclable and has value. For example, one company in California uses compacted EPS to produce picture frames. For small appliances, approximately two-thirds of the packaging is corrugated cardboard and 15 percent is paper.

PMA members and businesses utilize sophisticated programs in place that continue to increase the amounts of products recovered and recycled through voluntary initiatives. Today their recovery rates are high, and they are continually striving to increase these numbers. The existence of these efforts illustrate that new legislative mandates on producers are not necessary to reduce waste and increase recycling and the use of recycled content.

Thus, we urge the Committee to **strongly examine voluntary, market-based recovery efforts** for increased recovery of consumer packaging and oppose HB 36. The members of the PMA, and the industries they represent, recognize the desire of the public and policymakers for environmentally responsible business practices. That is why many of our member companies are voluntarily involved in waste recovery programs, and support recycling where it is economically and logistically feasible.

We hope to have a positive and constructive working relationship with you.

Sincerely,

A handwritten signature in blue ink, appearing to read 'KCC', with a long horizontal flourish extending to the right.

Kevin C. Canan
Executive Director

Product Management Alliance
1000 Potomac Street, NW
Suite 200
Washington, DC 20015
(888) 588-6878
info@productmanagementalliance.org
www.productmanagementalliance.org

Maryland HB36 EPR Packaging AHAM Comments (0010070)

Uploaded by: Cassady, Jacob

Position: UNF



1111 19th Street NW > Suite 402 > Washington, DC 20036
t 202.872.5955 f 202.872.9354 www.aham.org

TESTIMONY

Jacob Cassady
Director, Government Relations

On Behalf of
The Association of Home Appliance Manufacturers

Before the Maryland House
Committee on Environment & Transportation

HEARING

HB 36
Relating to Producer Responsibility for Packaging

February 9, 2021

Chair Barve, Vice Chair Stein, and members of the Committee, HB 36, which would establish a system of extended producer responsibility, enforced by a producer responsibility organization (PRO) to recover covered materials. For the reasons outlined below, the **Association of Home Appliance Manufacturers (AHAM) is strongly opposed to HB 36 but is willing to work with you on proven solutions that are effective.**

The Association of Home Appliance Manufacturers (AHAM) represents manufacturers of major, portable and floor care home appliances, and suppliers to the industry. AHAM's membership includes over 150 companies throughout the world. In the U.S., AHAM members employ tens of thousands of people and produce more than 95% of the household appliances shipped for sale. The factory shipment value of these products is more than \$30 billion annually. In Maryland, the home appliance industry is a significant and critical segment of the economy. The total economic impact of the home appliance industry to Maryland is \$1.2 billion, nearly 8,000 direct and indirect jobs \$194.1 million in state tax revenue and more than \$426.6 million in wages. The home appliance industry, through its products and innovation, is essential to U.S. consumer lifestyle, health, safety and convenience. Through its technology, employees and productivity, the industry contributes significantly to U.S. jobs and economic security. Home appliances also are a success story in terms of energy efficiency and environmental protection. New appliances often represent the most effective choice a consumer can make to reduce home energy use and costs.

Approach Would Negatively Impact the Recycling System in Maryland

Maryland would not be the first state to explore a packaging stewardship program. The state of Connecticut established a Task Force to Study Methods for Reducing Consumer Packaging that Generates Solid Waste in 2016. The Task Force released its recommendations in February 2018 after a year of stakeholder meetings, expert testimony, and public comments. The final recommendations did not recommend product stewardship as a means of reducing consumer packaging that generates solid waste with concerns over the creation of a recycling monopoly through a product stewardship organization, pushing Connecticut recycling firms out of business and forcing higher costs on the collection and recycling system as a whole.

EPR is Not a Proven Solution to Waste Management Challenges

AHAM understands that the intent of managing packaging in the state. While this bill's result would likely reduce costs to municipalities it would increase costs for its residents. In practice, where these programs have been adopted in other countries, the municipalities or other solid waste and recycling entities continue to charge the public the same amount for their services as they did prior to implementation of an EPR program and the public pays more for products. Therefore, there is no actual "shift" in financial responsibility to the producer. Instead, absent any offsetting reductions in their municipal solid waste and recycling fees, consumers are caught in the middle and wind up paying more. To make matters worse, the increased costs from EPR programs actually create a disincentive for achieving greater energy savings and other potential benefits. The cost increase from EPR could deter consumers from purchasing new appliances, which are more energy and water efficient, and more sustainable.

An estimate of the cost to Maryland households, based on per household costs from established “EPR” packaging recycling programs in Canada, would be approximately \$136.4 million (USD) annually.¹

In addition, EPR attempts to insert a product manufacturer into the recycling stream, but the manufacturer has limited ability to influence consumer behavior regarding recycling or to change municipal waste policies that can drive greater recycling. In reality, EPR often results in a hidden new costs to consumers that is by and large used to pay for the operation of a stewardship organization, substantial manufacturer compliance and reporting costs, and the government agency that is providing oversight.

In Canada, “EPR” packaging programs exist in various provinces, with manufacturers having to comply with each program that varies in scope. This is very costly to both manufacturers and to residents and has shown to be ineffective in improving recycling rates or achieving any of the recycling targets that are set. Ontario and British Columbia (B.C.) have two of the more recognized programs. In Ontario, 2019 program costs increased were 12.4 percent from 2014 (an average annual increase of 2.4 percent), where B.C.’s program costs were 28.5 percent higher over the same period (average annual increase of 5.2 percent).^{2,3} Contrary to program costs increases, over the same period, Ontario’s program materials recovery rate decreased by 7.4 percent and B.C.’s decreased by 2.4 percent. And to be clear, this is not even “recycling rate,” but “recovery rate,” which measures the reported amount of materials into the system compared to the amount collected. This is artificially inflated in B.C. due to the newspapers not being included because the media sector was not supportive. In 2019, the Ontario program cost was more than \$98.1 million (USD) and B.C.’s program cost more than \$78.7 million (USD), which consumers indirectly fund. The Ontario program alone has \$55,795,594 million (USD) in reserves built-up.

Recycle BC and Stewardship Ontario are the only package recycling programs approved by each province’s Government, and as a result all obligated parties must adhere to their strict rules and regulations. This includes local processors and recyclers of materials, which if these programs choose not to do business with them, they will be out of business.⁴

Institutional, Commercial and Industrial (IC&I) Streams and Service Parts Not Exempted
Typically, when a new appliance is delivered and installed, the company delivering the appliance removes the packaging and takes it away for recycling. Through the business-to-business channel, materials are recycled and discarded accordingly, without placing a burden on municipal waste and recycling systems. The inclusion of Institutional, Commercial and Industrial (IC&I) would create significant unfairness and cross-subsidization between manufacturers. It also would create significant additional complexity and cannot be tracked by manufacturers on a unit level basis. For example, stretch wrap applied to a pallet of small appliances may be applied

¹ Calculation based on \$38.97-\$42.90 (USD) program costs per household under the B.C. and Ontario EPR packaging recycling program

² Stewardship Ontario. (2019). 2019 Annual Report. Stewardshpontario.ca

³ Recycle BC. (2019) Annual Report 2019. Recyclebc.ca

⁴ Note, Stewardship Ontario is currently winding down its program to restart under a new Ontario Authority, which aims to shift program costs completely to obligated parties

by a third party at a distribution center or after the manufacturing process, and service parts shipped to a service provider may sometimes be packaged individually and sometimes with multiple parts. The variability of packaging related to IC&I and service parts would add major complexity to manufacturer compliance requirements, ultimately raising costs for Maryland consumers. In addition, material collected in business-to-business transactions have less contamination, which makes recycling easier. Placing this material in the more contaminated “blue box” recycling stream is lowering the recyclability of this material.

Producers May Not Have Data on Where Products Are Ultimately Sold and Used

Producers of products that are sold through national and even US-Canada distribution chains do not have control or information pertaining to how products move through various distribution and retail networks. For example, an appliance manufacturer that ships products to a distribution center likely is unable to determine the location of final product sale and use. In such situations, a producer would only be able to report on products shipped to a distribution center, which could be regionally based inside or outside of Maryland. This also would be a major disincentive for maintaining and locating new distribution facilities in the state of Maryland and could lead to sales data that does not accurately reflect what is sold to Maryland consumers.

Solutions

The manufacture of plastic exploded over the past 50 years and no one should dispute that this development in material science is a net benefit to society. There is an equally indisputable flip side, and that is the environmental mark that plastic is leaving on the planet. Unsightly litter, the Great Pacific Garbage Patch, and plastic pollution in oceans and waterways are all challenges that require solutions. The home appliance industry, through AHAM, is willing to play its part to find solutions.

Consumer waste streams create the vast majority of plastic waste, particularly single use plastics, and create most of the leakage into the environment. One solution is “pay-as-you-throw,” which has proven to be more effective in driving higher waste diversion and changes in consumer behavior, without the administrative burdens and costs of an EPR system. AHAM was involved and supportive of the final legislation in California to reduce single-use plastic packaging waste that almost was enacted into law last year, and we are willing to work with you on a similar legislative concept that would make a difference.

Conclusion

AHAM appreciates the opportunity to provide comments on HB 36 and urges the Environmental Conservation Committee to oppose the bill. Manufacturers of consumer products need flexibility in choosing appropriate materials for packaging their products to avoid situations that cause product breakage and damage during transport (which ultimately increases the lifecycle impact of the product) as well as to deter theft of smaller, high value electronics from retail establishments. HB 36 would increase costs for the industry thereby limiting the available resources for companies to invest in innovative and sustainable packaging solutions. The current system for appliances and appliance packaging works, and it should be allowed to continue on its successful path. For future reference, my contact information is (202) 202.872.5955 x327 or via electronic mail at jcassady@aham.org.

MPA Memo of Opposition HB 36 02.09.2021

Uploaded by: Emery, Emily

Position: UNF

HB 36 – Unfavorable Position

MPA - the Association of Magazine Media (MPA) opposes Extended Producer Responsibility (EPR) bills, including HB 36, that would establish new and unnecessary mandates upon a longstanding media industry that employs thousands of people and significantly contributes to trustworthy news and information dissemination in Maryland. We appreciate the opportunity to further explain our position below.

MPA represents about 500 magazine media brands. From global empires to small independent publications, MPA members inform, inspire and entertain more than 3.5 million Maryland citizens, with an average of 2.7 subscriptions per Maryland household. Our readers depend on our publications for reliable news and information – needed by society now more than ever. Further, magazines are an important part of the Maryland economy, and are part of the arts, sports and media industry that employs more than 32,000 people in Maryland. Over \$3.5 million total annual wages were paid to such industry employees in Maryland in 2019. In addition, the magazine industry supports more than thousands of indirect and induced jobs in Maryland.

EPR bills like HB 36 should not include paper products. However well-intended, such bills would punish magazines, newspapers and other paper users without improving recycling rates for paper products or increasing environmental protections. HB 36 exempts a “literary, text or reference bound book”, which begs the question of why magazines and newspapers would not be exempt simply because of format.

Magazine publishers and other manufacturers of paper products are already proactively engaged in sustainability initiatives these bills would not enhance. HB 36 simply transfers the costs of existing recycling systems from municipalities to publishers, resulting in major negative impacts to the magazine industry in Maryland, the Maryland economy, and to Maryland consumers. EPR legislation should not focus on products that are recyclable and biodegradable, with current recycling rates nearing maximum achievable levels.

Magazine publishers care about the environment

MPA’s long-standing engagement in environmental stewardship and initiatives stems from publishers’ desire to support and implement responsible, economically-sound environmental policies related to the full lifecycles of our magazine products, from raw materials to well-read copies. Although most magazine publishers provide content across a wide range of media streams, many of our readers still desire the tactile feel and enjoyment of physical magazine copies they can save and reuse over time. They may want to keep recipes, travel information for a longed-for destination, iconic cover pictures, and interesting long-form journalism.

Our readers expect us to be good stewards of the environment, and we are. Magazines are recyclable, made from environmentally certified paper, and biodegradable. Our paper is sourced from sustainable forests via certified chain of custody protocols, our inks are linseed oil based and non-toxic, our adhesives water soluble, and any protective packaging used is recyclable. Based on these facts and widespread availability of curbside and drop-off locations, magazines

are recognized as recyclable by the US Federal Trade Commission. MPA has engaged in several industry wide campaigns to promote recycling of magazines after use.

Magazines, newspapers and the broader paper industry are successful recyclers.

- Paper is 100% recyclable and has been recycled at rates exceeding 63% every year since 2009. Further, 100% of magazines unsold at the newsstand have perennially been recycled. Paper is doing a significantly better job than other industries. EPA's November 2020 recycling report indicates recycling rates of 8.5% for plastics, 17.2% for aluminum, 18.2% for rubber and leather, 25% for glass and 68.2% for paper.
- Approximately 80% of all U.S. paper mills utilize recovered fiber to make everything from paper-based packaging to tissue products to office paper and newspapers.
- After a period of negative market prices for recovered paper, the market is expected to slowly improve through 2023.

Including printed paper in EPR bills like HB 36 will not help the environment or achieve the bills' environmental goals. It will only hurt magazines and other paper products.

Available data shows the failure of EPR for paper. We urge Legislators to proceed with caution and make sure EPR programs really work.

- EPR programs in Europe do not include paper products. Several EPR programs in Canada do include paper products and the experience there is instructive. Rather than improving environmental performance and efficiency, the system in Canada demonstrates how simply shifting costs from municipalities to paper producers actually reduces the efficiency of the recovery system and increases costs. In British Columbia, recycling rates have stalled and are trending downwards while the fees have fluctuated wildly and increased markedly. The 2020 printing paper fee of \$175 US dollars per ton represented an 86% increase compared to 2019. In 2021, the rate has increased dramatically once again, to \$255 US dollars/ton, close to 50% over 2020 fees. These types of volatile fees will devastate many Maryland companies and industries, including the magazine industry, especially coming on top of the continuing economic impact and expenses related to the COVID-19 pandemic.
- Requiring paper to pay fees into a structure that combines all products together disrupts systems that have been working today and would require magazines and newspapers to subsidize producers of less environmentally-friendly materials, previously lacking successful recycling programs. Requiring differentiated fees based on material type hardly solves this problem.
- Paper is not toxic, hazardous or hard to handle. Inks and adhesives used by the magazine industry have no residual negative impacts on the recycling process. In contrast, other materials take years to decompose, release toxins into the environment and can release toxic pollution if burned.

First Amendment Concerns

Long-form magazine journalism is a trusted and compelling source of news and information of great value to readers and society on a vast range of topics, including environmental issues. It is important to protect this source of information. We are concerned that inclusion of printed paper in any EPR system would:

- Discriminate against printed media compared to other media formats by enacting an onerous regulatory regime and fees on print media in a manner that would discourage the dissemination of news and information in such formats;
- Impose a mandate for a consumer education campaign determined by government agencies, at publishers' cost, potentially compelling speech by print media.
- Establish an open-ended fee structure that could be used by the government to restrict speech.

What is the role for the paper industry? We will continue to do our part.

- The paper industry has traditionally been successful in growing recycling rates. China's departure from the market for recovered fiber disrupted the trend. Once the market for recovered paper recovers, existing systems will once again be successful, although it is notable that the movement from dual recycling streams to single stream programs has introduced much higher levels of contamination that will continue to affect market price and recyclability.
- Magazines and newspapers can be part of the solution to educate consumers. MPA members have run multiple campaigns in the pages of our magazines, raising awareness about the recyclability of magazines and providing resources for consumers to obtain additional information on magazine recycling. Once the market for recovered paper improves, it may be time for another such campaign.

We appreciate your consideration of the information contained in this memo, and we urge the legislature to oppose HB 36 and other EPR bills that include printed paper. If you have any questions or comments, please contact Rita Cohen, Senior Vice President at rcohen@magazine.org or (202) 369-1237 or Leslie Dunlap at leslie@dcindc.com or (202) 468-1663.

HB 36 EPR_Oppose unless amended_2.2.21_FINAL.pdf

Uploaded by: Finarelli, Christopher

Position: UNF

February 5, 2021

Honorable Kumar P. Barve
House Office Building, Room 251
Annapolis, Maryland 21401

RE: HB 36 (Lierman) – Oppose unless amended

Dear Chair Barve:

On behalf of the Household & Commercial Products Association (HCPA), I respectfully oppose House Bill 36 (Lierman) unless further amended. HB 36 would create a new and sweeping mandate on producers to establish a product “stewardship organization” to finance, organize, and manage the end-of-life phase of the product lifecycle of a broad spectrum of product packaging. HB 36 further establishes minimum postconsumer content for packaging under covered products.

The Household & Commercial Products Association (HCPA) is the premier trade association representing the interests of companies engaged in the manufacture, formulation, distribution and sale of more than \$180 billion annually in the U.S. of trusted and familiar products that help household and institutional customers create cleaner and healthier environments. HCPA member companies employ hundreds of thousands of people globally. Products HCPA represents include disinfectants that kill germs in homes, hospitals and restaurants; air fresheners, room deodorizers, and candles that eliminate odors; pest management products for home, lawn and garden, and pets; cleaning products and polishes for use throughout the home and institutions; products used to protect and improve the performance and appearance of automobiles; aerosol products and a host of other products used every day.

Consumer and commercial product manufacturers are constantly producing more environmentally-preferable products, using the most recyclable and environmentally friendly packaging available and feasible. HB 36 seeks to further reduce the prevalence of single-use plastic packaging in the environment throughout the state. These goals are commendable and HCPA shares the objective of reducing packaging materials and plastics in landfills, the ocean, and environment. However, HB 36 is not implementable in its current form, creating serious concerns for product viability, economic impacts, consumer costs, and even safety.

Under the current version of HB 36 “producers” who will be required to pay for the creation and operation of these new programs include anyone who makes, imports, distributes or sells a “covered product.” Every store, restaurant, warehouse, office, manufacturer, or delivery service will be impacted and required to help pay for these new programs. Ultimately, it will be consumers who will eventually bear much of the burden by paying these costs through higher prices.

HCPA Comments – HB 36 (Lierman)

The “covered materials and products” definition is incredibly broad and as a result imposes requirements on products that are expressly prohibited by federal regulations or call into question a manufacturers’ ability to feasibly meet federal packaging standards. This includes, but is not limited to, products registered under the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA), aerosol containers, and child resistant packaging. Failure to meet these standards for consumer products would pose public safety risks or render certain product packing options impossible for market distribution.

The timing of HB 36 is less than ideal. Given the impact HB 36 could have on the Maryland economy, HCPA is concerned that implementation of a proposal of this magnitude is problematic while the state and its communities make every effort to fully exit the ongoing global pandemic. Furthermore, scores of proposals have been introduced in various states across the country with varying standards, PCR rates and deadlines, accountability measures, regulatory authority, and product definitions. Given the number of proposals across the country, HCPA is concerned a patchwork of extended producer responsibility programs is emerging across various states -- something that would further complicate product development, supply chains and most critically getting products in the hands of those that need them to improve their daily lives.

For these reasons and more, HCPA supports the establishment of a working group on the formation of a Maryland stewardship program. By bringing all stakeholders together we can create a program that fulfills the goals of HB 36 while ensuring the Maryland economy is not negatively impacted any more than it has been by the pandemic. HCPA stands ready to work with the bill authors and the Legislature on a recycling program that works for the residents of Maryland.

Sincerely,



Christopher Finarelli
Director, State Government Relations & Public Policy - Western Region

HB 36_Packaging, Containters, and Paper Products -

Uploaded by: Griffin, Andrew

Position: UNF



LEGISLATIVE POSITION:

UNFAVORABLE

House Bill 36

Environment – Packaging, Containers, and Paper Products – Producer Responsibility

House Environment & Transportation Committee

Tuesday, February 9, 2021

Dear Chairman Barve and Members of the Committee:

Founded in 1968, the Maryland Chamber of Commerce is the leading voice for business in Maryland. We are a statewide coalition of more than 5,000 members and federated partners, and we work to develop and promote strong public policy that ensures sustained economic recovery and growth for Maryland businesses, employees, and families.

As introduced, House Bill 36 creates unrealistic goals and places a significant financial burden on producers and manufacturers.

The overall scope of this legislation is very concerning. With covered products including almost everything a consumer can potentially come in contact with, the ambitious requirements seem almost impossible to achieve for industry given the currently available technology. Our members also harbor additional concerns with the Department being given sole power over approval of stewardship plans, leaving little room for industry input.

As written, House Bill 36 makes no distinctions between products used in the transportation of goods and the products used for presentation or packaging. There are no exceptions even for reusable products. This Bill requires producers to change all aspects of their products from creation, storage, containment, distribution, and product packaging. The costs of implementing these changes are astronomical and could have a profound impact on business.

Furthermore, House Bill 36 grants the Department all power to regulate, ban, or assign fees with little to no protections for industry stakeholders. House Bill 36 is also unclear on how the costs are spread amongst producers. HB 36 asserts that producers will now be responsible for the costs of trash collection, transportation, and processing and nowhere within the Bill does it provide how the Department will calculate these costs. While the Department does have the power to establish the structure, the bill leaves open how the Department will determine that structure.

It is also uncertain how the Department will determine who generates the trash or recyclables that require processing. Under House Bill 36, it seems that covered producers are responsible for the costs of all trash collection, even if they are not the ones who generate it. Instead of requiring producers to pay based on what is actually produced and consumed, this bill forces producers to subsidize the costs for all trash and unduly punishes larger producers and businesses.

Paying for the costs of trash collection only adds to the taxes, fees, and costs that producers in Maryland already pay to the State. Without clarity as to how the costs for trash collection will be distributed combined with the anticipated costs of changing product design and materials, Producers are weary of how this legislation will affect them financially. These additional costs on producers could very well lead to an increase in certain prices or services, which would hurt Marylanders overall.

House Bill 36 creates goals that many manufactures cannot attain by the dates within the bill. If every producer could create single-use packaging and products with 75% postconsumer content, House Bill 36 fails to recognize the costs of making that switch. Those costs include but are not limited to the sourcing of biodegradable and postconsumer materials, installation of new equipment, and R&D costs.

Reducing waste and finding ways to be more sustainable is a priority of the Maryland Chamber of Commerce membership. However, House Bill 36 takes away any accountability to consumers and places producers in a position where they must take all accountability for trash collection costs and processing, even if they are not the ones who generate it. This bill forces industry to bear the financial burden and fails to recognize the consumer component of this issue.

For these reasons, the Chamber respectfully requests an **unfavorable report** on House Bill 36.



MD HB 36.pdf

Uploaded by: Kluesner, David

Position: UNF

DAVID KLUESNER
DIRECTOR, STATE GOVERNMENT RELATIONS

2626 EAST 82ND STREET
SUITE 155
BLOOMINGTON, MN 55425

M (608) 770-0556
DAVID.KLUESNER1@IPAPER.COM

February 5, 2021

The Honorable Kumar Barve, Chair, House Environment and Transportation Committee
The Honorable Dana Stein, Vice Chair, House Environment and Transportation Committee
The Honorable Dereck Davis, Chair, House Economic Matters Committee
The Honorable Kathleen Dumais, Vice Chair, House Economic Matters Committee

Re: International Paper Comments on HB 36, pertaining to the Environment – Packaging, Containers, and Paper Products – Producer Responsibility

Distinguished Legislators,

Thank you for the opportunity to share our comments regarding HB 36. By way of background, International Paper is one of the world's leading producers of fiber-based packaging, pulp and paper. We create packaging products that protect and promote goods, pulp for diapers, tissue and other personal hygiene products, and printing papers that facilitate education and communication. We are committed to strengthening our people and the communities where we live and work using all resources responsibly and efficiently, and ensuring our businesses are safe, successful and sustainable for generations to come.

Now more than ever, people rely on paper-based packaging for the safe delivery of essential goods. Groceries, life-saving prescription drugs, clothing, and the food and other supplies we need to take care of our families are all examples of the products that are delivered to our doors in a safe and convenient manner.

IP is very concerned with the scope of HB 36. Packaging Taxes, or Extended Producer Responsibility (EPR), are a solution looking for a problem when it comes to paper and paper-based packaging. The pulp and paper industry has invested billions of dollars to create a robust, market-based system for the recovery and recycling of our products without government intervention and fees. This emphasis on recycling is integral to our goal of advancing circular solutions throughout our value chain, and creating innovative products that are 100 percent reusable, recyclable or compostable. With 18 recycling facilities across North America, International Paper collects, consumes and markets more than six million tons of recovered paper every year.

Paper and paper-based packaging recovery and recycling is a great sustainability success story. According to the American Forest & Paper Association (AF&PA), the paper recycling rate has been consistently high, meeting or exceeding 63 percent since 2009. In 2019, 66.2 percent of paper consumed in the United States was recovered for recycling. The recycling rate for old corrugated containers (OCC) in 2019 was 92.0 percent, and the three-year average OCC recycling rate is 92.3 percent.

Imposing taxes on paper-based packaging and printed materials ignores the nationwide, market-driven system in which International Paper and other industry members have invested billions of dollars over many decades to recover and reuse our products. The government should not tax paper and paper-based packaging to help pay for the recovery and processing of other materials, the manufacturers and consumers of which have failed to invest in their own recycling systems and end markets.

For these reasons, International Paper strongly opposes the inclusion of paper-based packaging and printed materials in any EPR tax program.

Thank you in advance for your consideration. International Paper stands ready to work with you and offer our expertise as you continue the discussions on this important issue. If you have questions, please contact me at your convenience.

David Kluesner

David Kluesner
Director, State Government Relations

HB36_UNF_MRA.pdf

Uploaded by: Price, Sarah

Position: UNF



**HB36 Environment – Packaging, Containers, and Paper Products – Producer
Responsibility
Environment and Transportation Committee
February 9, 2021**

Position: Unfavorable

Background: HB36 would require businesses to develop a product stewardship plan and to reach certain requirements for product recyclability within a certain amount of time.

Comments: While the Maryland Retailers Association supports comprehensive approaches to waste reduction and investment in recycling infrastructure and appreciates the amendments that have been proposed by the sponsor in an attempt to address some stakeholder questions, the retail industry continues to have concerns about this proposed legislation. The postconsumer recycled material (PCR) requirements are not feasible for certain items and even contradict some federal regulations regarding the use of PCR, and the bill also omits other necessary exemptions that have been included in similar legislation proposed in other states.

Federal regulations and standards for child-resistant packaging are quite strict, and it is unclear if PCR is capable of meeting those standards. Further complicating this, child-resistant packaging made from PCR would need to be sufficiently tested, and at this time testing labs have been shuttered due to COVID-19. Federal regulations also prohibit the use of PCR in aerosol products due to the safety hazards associated with utilizing material with potential structural integrity issues when packaging products that are under pressure. It is unclear if aerosol product packaging would be captured in the broad definitions included in the bill. Additionally, the bill neglects to address the packaging of products covered by the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA), which have a unique chemical makeup. FIFRA products have been exempted from other prominent producer responsibility legislation, including the bill introduced in California.

With these concerns in mind, we ultimately feel that this legislation needs more work and does not propose a feasible approach to waste management and reduction. We believe that the establishment of a workgroup to study the most effective ways to address the proponents' environmental concerns in conjunction with the needs of stakeholder industries would be more appropriate.

Thank you for your consideration. The Maryland Retailers Association urges an unfavorable report on HB36.

2021-02-09 AFPA Testimony on MD HB 36 EPR for Pape

Uploaded by: Sztein, Abigail

Position: UNF

Testimony in Opposition to House Bill 36 Environment – Packaging, Containers, and Paper Products – Producer Responsibility February 9, 2021

The American Forest & Paper Association (AF&PA) appreciates the opportunity to share information on House Bill 36 on behalf of our members and their employees who are essential and critical infrastructure workers under Maryland and federal guidance. AF&PA serves to advance a sustainable U.S. pulp, paper, packaging, tissue and wood products manufacturing industry through fact-based public policy and marketplace advocacy.

MD State and Local Taxes	\$1.8 Billion	MD Products: Packaging, sales displays, corrugated boxes
Maryland Payroll	\$374 Million	
Maryland Employees	6,000 people	

AF&PA must respectfully oppose HB 36 which would require producers to create or participate in a product stewardship organization in order to sell or distribute products for use in Maryland. The paper industry has a demonstrated, measurable record of success in making paper and paper-based packaging more circular and sustainable through market-based approaches.

Key Points

- Paper recovery is an environmental success story, recycling **about fifty million tons of recovered paper each year** for the last 20 years. The industry has met or exceeded a 63 percent recovery rate since 2009.
- Robust investment in manufacturing capacity for use of recovered paper is an essential pillar of the industry's success. Redirecting necessary funds to a program unproven in Maryland could topple decades of work.
- US EPA data confirms the superior record and environmental success story of paper recycling from municipal collection programs. **More paper by weight is recovered for recycling from municipal solid waste streams than plastic, glass, steel, and aluminum combined.**
- EPR shifts financial responsibility for recycling without offering corresponding resources to improve collection or processing, often **resulting in increased costs with no improvement in program performance.**
- Responsibility for materials recovery must be shared across the entire supply chain, including consumers.

Full Testimony on HB 36

The American Forest & Paper Association (AF&PA) appreciates the opportunity to testify on behalf of our members and their employees who are essential and critical infrastructure workers under Maryland and federal guidance.

House Bill 36 seeks require producers to create or participate in an approved producer stewardship organization in order to sell or distribute products for use in Maryland. The paper industry has a demonstrated, measurable record of success in making paper and paper-based packaging more circular and sustainable through market-based approaches and must therefore respectfully oppose HB 36.

Introduction

AF&PA serves to advance a sustainable U.S. pulp, paper, packaging, tissue and wood products manufacturing industry through fact-based public policy and marketplace advocacy. AF&PA member companies make products essential for everyday life from renewable and recyclable resources and are committed to continuous improvement through the industry's sustainability initiative — [Better Practices, Better Planet 2020](#). The forest products industry accounts for approximately four percent of the total U.S. manufacturing GDP, manufactures nearly \$300 billion in products annually and employs approximately 950,000 men and women. The industry meets a payroll of approximately \$55 billion annually and is among the top 10 manufacturing sector employers in 45 states.

The forest products industry in Maryland employs almost 6,000 individuals with an annual payroll of over \$374 million and produced almost \$1.8 billion in products. The estimated annual state and local taxes paid by the Maryland forest products industry totals \$32 million.

Paper Recycling Works

The paper recycling rate has grown over the decades, and remains consistently high, meeting or exceeding 63 percent since 2009.¹ In 2019, 66.2 percent of paper consumed in the United States was recovered for recycling. Technological innovations in product design and recycling processes are continuously allowing our industry to access and recycle more paper-based products. According to the 2019 Maryland Solid Waste Management and Diversion Report, “compostables and paper materials constituted the largest portion of materials recycled.”²

US EPA data confirms the superior record and environmental success story of paper recycling from municipal collection programs.³ According to the U.S. EPA, in 2018 (the most recent EPA data available) paper and paper-based packaging had a far higher recycling rate from municipal solid waste (MSW) streams than other major recyclable commodities: Paper (68.2%); Steel (33.1%); Glass (25.0%); Aluminum (17.2%); and Plastics (8.5%).⁴ Put another way, more paper by weight is

¹<https://www.paperrecycles.org/media/news/2020/05/12/u.s.-paper-industry-achieves-consistently-high-recycling-rate>

² <https://mde.maryland.gov/programs/LAND/AnalyticsReports/MSWMDR-%202019.pdf>

³ [Advancing Sustainable Materials Management: 2018 Fact Sheet. EPA, November 2020.](#)

⁴ <https://www.epa.gov/facts-and-figures-about-materials-waste-and-recycling/plastics-material-specific-data>

recovered for recycling from municipal solid waste streams than plastic, glass, steel and aluminum combined.⁵ EPA statistics also show that in 2018, 46 million tons of paper and paperboard were recycled from municipal solid waste, compared to 3 million tons of plastics. By contrast, that year 27 million tons of plastics in municipal solid waste were sent to landfills. That's 76 percent of all plastic waste.⁶

Increasing Collection Rates Means Little without Strong End Markets

The bill requires funding to be given to local governments to pay for their collection of readily recyclable materials, but this is a cost-shifting mechanism common in other EPR programs that does not create added value or end markets for recyclable materials. Robust investment in end market use for recovered paper is an essential pillar of the industry's success.

Between 2019 and 2023, U.S. packaging and pulp producers committed to investing more than \$4.1 billion in new manufacturing capacity specifically designed to use over 7 million additional tons of recovered paper per year.⁷ However, any EPR fees paid by producers would reduce the capital available to support further investment in manufacturing capacity using recovered fiber.

Mandated Performance Goals Should Be Achievable for Products

HB 36 sets mandated performance goals without justification for the numbers or consideration of individual products or the work already underway. Recovered fiber markets are complex, efficient, and dynamic and are not served by regulations or prescriptive approaches to specify the use of recycled fibers or dictate what type of recovered fiber is used in products.

Market forces and voluntary efforts have achieved strong gains in paper recycling and are expected to continue to do so in the future. Putting pressure on producers to arbitrarily change content in certain paper products interrupts the market-based utilization of recovered fiber, prevents recovered fiber from flowing to its highest value end-use, is counterproductive both economically and environmentally, and is inconsistent with the precepts of sustainability.

Eventually, the practical ceiling for paper and paper-based packaging recovery for recycling will be achieved. Some things just cannot be recycled – many tissue products, printed paper used for library books or archived documents and paper used in construction applications such as wallboard. To impose an EPR scheme in hopes of marginal gains could be cost prohibitive and at the detriment of the success the industry has achieved.

Paper's Recycling Rate Leaves Little Room for Improvement by EPR

Paper recycling is already at a high level and approaching the maximum levels that are practically achievable. The recycling rate for containerboard (corrugated cardboard) in 2018, for example, was 96.4 percent. The three-year average recycling rate for the material that would be most impacted

⁵ [Advancing Sustainable Materials Management: 2018 Fact Sheet. EPA. November 2020.](#)

⁶ [Advancing Sustainable Materials Management: 2018 Fact Sheet. EPA. November 2020.](#)

⁷ Publicly announced capacity expansions and additions tracked by The Recycling Partnership, June 2020

by EPR, old corrugated containers (OCC), is already 92.3 percent.⁸ EPR is unlikely to improve the recovery rate.

More broadly, for the past 20 years, the paper industry has recycled about fifty million tons of recovered paper each year; over one billion tons in total.⁹ More than twice as much paper is recycled than is sent to landfills, and every ton of paper recovered for recycling saves 3.3 cubic yards of landfill space.¹⁰

Recycling programs in the U.S. are operated by local governments, which have more freedom to tailor recycling programs to the needs of local communities. The record of highly centralized, command-and-control EPR programs in Canada and Europe offers no real proof of advantages over the market-based approaches and locally-operated programs prevalent in the U.S. A recent research paper performed by York University in Ontario concluded there is no evidence to indicate that the steward-operated EPR program in Canada will result in cost containment or increased recycling performance.¹¹

Successful Materials Recovery is Supported by the Entire Supply Chain, Including Consumers

Future legislation drafted to regulate the production and use of paper and packaging should be based on sound policy to the benefit of the environment and best practices for doing business in the state. Maryland can also increase consumer education to drive increased participation across the entire supply chain.

We support promoting increased participation in community recycling programs and other best practices in addition to focusing on hard-to-recycle materials where there may not yet be a well-developed collection infrastructure or good recovery results. For example, 11 counties¹² will potentially see increases in their recovery rate by implementing dual stream programs rather than single stream recycling. Single stream recycling programs have a detrimental impact on paper recovery as contamination from other materials in the stream is a major concern for most recovered fiber processors, lowering the value of collected paper products.

Conclusion

We encourage the Committee to avoid measures that might penalize paper and paper-based packaging. We look forward to continuing our work with the state of Maryland. Please feel free to contact Abigail Sztejn, Director, Government Affairs at Abigail_sztejn@afandpa.org for further information.

Thank you

⁸<https://www.paperrecycles.org/media/news/2020/05/12/u.s.-paper-industry-achieves-consistently-high-recycling-rate>

⁹ <https://www.paperrecycles.org/statistics/paper-paperboard-recovery>

¹⁰ <https://www.paperrecycles.org/about/paper-recycling-a-true-environmental-success-story>

¹¹ Review of Recycle BC Program Performance, Dr. Calvin Lakhan, York University

¹² Anne Arundel, Baltimore City, Baltimore County, Cecil, Charles, Frederick, Harford, Howard, Prince George's, St. Mary's and Somerset use single-stream collection programs. Page 42, County Residential Recyclables by Commodity, <https://mde.maryland.gov/programs/LAND/AnalyticsReports/MSWMDR-%202019.pdf>

MD HB 36 - ACC Oppose Testimony.pdf

Uploaded by: Terrie, Omar

Position: UNF



Maryland House Bill 36
Testimony of the American Chemistry Council
Maryland House Environment and Transportation Committee
February 9, 2021

On behalf of the members of its Plastics Division,¹ the American Chemistry Council (ACC)² thanks you for this opportunity to provide comments on House Bill 36 (H.B. 36) which would establish a producer responsibility organization (PRO) to fund recycling infrastructure investments. ACC also thanks Delegate Brooke Lierman for her leadership on this important issue. ACC and our members share interest in reducing plastic waste, increasing recycling and creating a better, more sustainable future for the citizens of Maryland. Unfortunately, while we share similar goals, ACC opposes the legislation in its current form, but offers the following suggestions for consideration.

ACC and our members are deeply committed to creating a more circular economy for plastics and working to help end plastic waste in the environment. That is why ACC and our members have established goals to reuse, recycle or recover all plastic packaging in the United States by 2040 and make all U.S. plastic packaging recyclable or recoverable by 2030.²

An important component of these goals is creating sustainable sorting and collection infrastructure for all materials. However, as written, proposed Section 9-2303 of H.B. 36 includes a provision stating that "*ALL SINGLE-USE PLASTIC PACKAGING AND SINGLE-USE PLASTIC FOODWARE TO BE REDUCED, TO THE MAXIMUM EXTENT PRACTICABLE, AND BY NOT LESS THAN 25% BY OCTOBER 1, 2030*"; which, would require reductions in plastic use rather than waste. We agree with the goal to reduce waste, but maintaining a provision which requires a reduction in plastic use diverges from the underlying goal and would be detrimental to the environment through unintended consequences. ACC **requests this provision be stricken** from the bill.

A critical challenge which can result from a deselection of plastics packaging and plastic foodservice is the unintended environmental impacts of alternative materials which would be used instead of plastic. For instance, common alternatives to plastic packaging and foodservice have been shown to increase by nearly 4 times the environmental costs across

¹ ACC represents a diverse set of companies engaged in the U.S. business of chemistry, a \$768 billion enterprise that is helping to solve the biggest challenges facing our country and the world. Chemistry touches 96 percent of all manufactured goods, and the use of plastics in modern automotive, building and construction, and food packaging industries is helping to create a more sustainable society.

² "U.S. Plastics Resin Producers Set Circular Economy Goals to Recycle or Recover 100% of Plastic Packaging by 2040," news release, 9 May 2018, <https://www.americanchemistry.com/Media/PressReleasesTranscripts/ACC-news-releases/US-Plastics-Producers-Set-Circular-Economy-Goals-to-Recycle-or-Recover-100-Percent-of-Plastic-Packaging-by-2040.html>.



16 consumer goods sectors with; restaurants, bars, and retail among the sectors impacted³. Additionally, researchers from Franklin Associates found that if common alternatives were used in place of U.S. plastic packaging, the substitute packaging would require 80 percent more cumulative energy demand and result in 130 percent more global warming potential impacts, expressed as CO₂ equivalents, compared to the equivalent plastic packaging.⁴

According to an Imperial College of London's study if all 500 ml plastic bottles used worldwide were made from glass, the carbon emissions would be equivalent to powering up 22 large coal-fired power plants.⁵ For example, look to coffee packaging. Coffee packaged in flexible plastic packaging offers notable environmental advantages compared to common alternatives because it requires less energy and water to produce the packaging and the volume of the packaging produces less solid waste⁶. In fact, research has shown that production and use of a steel can create four times the greenhouse gas emissions as the flexible plastic packaging even considering the difference in recycling rates today⁷. ACC supports the goals of increased funding for recycling infrastructure and more efficient collection and sortation of material. ACC encourages the State of Maryland to consider promoting initiatives such as those set forth below, to further its recycling goals.

- Over the last three years, there have been announced investments of more than \$5 billion in new plastics recycling facilities including mechanical and advanced recycling. This new investment will open up new markets in coming months and years, and are expected to recycle up to 9 billion pounds of material per year⁸.
- In addition, many plastic companies have made major commitments to use recycled content in coming years. They will become large markets for used plastics to make new chemicals and plastics. For example, Shell's reported target is to use 1 million metric tons of plastic waste a year as feedstock in its global chemical plants by 2025. Many additional company commitments can be seen in *The Roadmap to Reuse: Plastics Solutions for America 2020*⁹
- *Materials Recovery for the Future*. The Materials Recovery for the Future (MRFF) project is a research pilot focused on identifying how to effectively collect, sort, and recycle flexible plastics¹⁰ via residential curbside recycling programs. MRFF recently released a report that demonstrates that with adequate optical sorting capacity and peripherals, flexible plastic packaging (FPP) can be efficiently captured in a large single-stream material recovery facility (MRF) and processed into a commodity bale, known as rFlex,

³ <https://plastics.americanchemistry.com/Plastics-and-Sustainability.pdf>

⁴

⁵ <https://www.imperial.ac.uk/media/imperial-college/faculty-of-natural-sciences/centre-for-environmental-policy/public/Veolia-Plastic-Whitepaper.pdf>

⁶ <https://plastics.americanchemistry.com/LCI-Summary-for-8-Coffee-Packaging-Systems/>

⁷ <https://plastics.americanchemistry.com/LCI-Summary-for-8-Coffee-Packaging-Systems/>

⁸ <https://www.reuseplastics.org/news/do-new-recycling-technologies-improve-plastics-sustainability>

⁹ <https://www.reuseplastics.org/files/0ad2b4b877997c3b91878b785b6e51f821857c2d.pdf>

¹⁰ Examples include: product overwraps, food pouches, chip bags, pet food bags.



for reuse in a variety of markets while diverting plastic from landfills. The report also identifies more than a dozen end market opportunities for rFlex bales that Maryland may consider in its efforts to enhance recycling. Building products like roofing materials represent the highest volume and most immediate end market opportunities. Other high-volume opportunities for using rFlex are pallets and railroad ties, where recycled plastic can serve as a more durable alternative to traditional wood¹¹.

- *Wrap Recycling Action Program.* ACC encourages Maryland to promote recycled content plastics products created from recovered polyethylene (PE) film collected through store takeback programs¹². These products include plastic envelopes, trash bags, traffic barricades, mats, plastic composite playgrounds, decking and recreational equipment and railroad ties. ACC's Wrap Recycling Action Program (WRAP) promotes the recycling of PE film and the use of recycled content film products. WRAP is partnering with the U.S. Environmental Protection Agency, the Sustainable Packaging Coalition, the Association of Plastics Recyclers, and several state and local governments to educate consumers on the ability to recycle PE film packaging through more than 17,000 stores drop-off sites nationwide.

Again, ACC requests H.B. 36 be amended to **strike** the provision of Section 9-2303 indicating that "*ALL SINGLE-USE PLASTIC PACKAGING AND SINGLE-USE PLASTIC FOODWARE TO BE REDUCED, TO THE MAXIMUM EXTENT PRACTICABLE, AND BY NOT LESS THAN 25% BY OCTOBER 1, 2030;*

If you have any questions or if I may be of further service, please feel free to contact me at Josh.Young@americanchemistry.com or (404) 401-3343.

¹¹ Materials Recovery For the Future, "Nation's First Pilot Project Recycling Flexible Plastic Packaging Yields Successful Results," news release, 2020, <https://www.materialsrecoveryforthefuture.com/press-releases/2020-research-results/>.

¹² Items collected include: bags for groceries, newspapers, produce, and bread; dry cleaning wraps; bubble wrap and air pillows; product overwrap from bulk products (cases of water bottles, bathroom tissue, paper towels, etc.)

HB 36 Balt. Industrial Group.pdf

Uploaded by: Tompsett, Thomas

Position: UNF



BALTIMORE INDUSTRIAL GROUP

February 5, 2021

Hon. Kumar P. Barve
Chair, Environment and Transportation Committee
House Office Building, Room 251
6 Bladen St., Annapolis, MD 21401

Dear Chairman Barve,

Re: HB36

On behalf of the Baltimore Industrial Group (BIG), I am writing to urge the committee to vote unfavorable on HB36- *Extended Producer Responsibility/Product Stewardship for Packaging & Paper Products*. BIG and our members involved in manufacturing and packaging of various consumer goods find the proposed scheme to be complicated, burdensome, and impractical. Furthermore, the full fiscal impact of the legislation on business, while unclear, is clearly meaningful. BIG is disappointed with the apparent lack of outreach to the industrial community regarding this bill, whose literal buy in is expected on the back end if this legislation were to be enacted, but seemingly not welcomed on the front end when developing the policy itself.

The Baltimore Industrial Group (BIG) was established in 2005 by public and private business organizations in the Baltimore metropolitan region to advocate for industry and maritime operations and represents an array of businesses involved in manufacturing, transportation, maritime, shipping, and warehousing. BIG members alone employ 16,000 workers directly in quality, high-paying jobs.

Manufacturing and packaging businesses in Maryland have invested in reducing the amount of packaging used for their products, made strides in using recyclable materials, and have actively worked to encourage proper recycling on the part of consumers. Requiring companies to help fund local recycling efforts raises a number of questions: How do businesses determine what portion of their products end up being consumed in the state when it is distributed by third party national distributors? What will the total cost be for products manufactured here in Maryland, but then sold to consumers in other states or countries who may also enact similar legislation?

Beyond the practical considerations of how this bill will work there is also a question of cost to businesses that provide so many well-paying jobs to Marylanders but operate on tight margins. Rather than this bill, we would ask that the General Assembly consider

legislation to encourage the reduction of the stream of trash and recyclables or at least study this issue and its apparent implementation in other countries.

BIG is proud of its member's continuing efforts towards sustainability and waste reduction, all done through a collective consciousness of the world we currently live and the world we want our future generations to inherit. Great strides have been made and will continue to be made without cumbersome and costly legislation such as HB 36, but only when all parties are brought to the table to develop solutions and not simply asked to pay for ideas of limited few.

Sincerely,

Jeff Fraley
Chair

WestRock Memo Oppose HB36.pdf

Uploaded by: Wells , Matthew

Position: UNF



February 5, 2021

WestRock Opposes HB36: Environment – Packaging, Containers, and Paper Products – Producer Responsibility

WestRock opposes HB36, which would unfairly penalize sustainable, fiber-based paper products by subjecting them to a costly, ineffective and misguided Extended Producer Responsibility (EPR) program. WestRock is a leading manufacturer of sustainable, fiber-based packaging products. **We also operate one of North America’s largest recycling networks, managing roughly 8.5 million tons of fiber each year.**

In Maryland, we have 190 team members in family-wage jobs across 3 facilities. This includes our Baltimore Container facility, which manufactures corrugated cardboard containers made with recycled fiber, and which are themselves highly recyclable. This facility has been in operation throughout the pandemic as a CISA-designated critical infrastructure facility, safely making and shipping essential fiber-based paper packaging products. We invest over \$200 million directly into the state’s economy each year through salary, taxes, and supplier spend.

Paper recycling in the United States is a success story. Paper products in general had a 66.2% recovery rate in 2019. That rate has been above 63% since 2009. For old corrugated containers (OCC), the recovery rate is even higher, at 92.3%. Recovered paper is a valuable commodity in the recycling stream, and our industry already has significant market incentives to support enhancements to the recycling system; in fact, the paper products industry has announced more than \$4 billion in new manufacturing capacity investments, specifically designed to use over 7 million additional tons of recovered paper per year.

While a form of EPR may be an appropriate program for certain hard-to-recycle materials with limited markets, it is not appropriate for paper products. Even with recent disruptions to certain recycling markets due to China National Sword, paper products remain a valuable and in-demand part of the recycling stream. In fact, 2020 saw significant increases in market demand for OCC.

WestRock is a member of the Ellen MacArthur Foundation, one of the world’s leading circular economy organizations. We are constantly working to enhance the recycling ecosystem that supports our facilities. However, studies have shown that EPR is not an effective means of strengthening recycling for paper products. In fact, a recent study by York University reported that costs for an EPR program in British Columbia increased by 26% while the program’s performance increased by a mere 1%. With this in mind, it is clear that applying EPR to paper can only be considered to be a regressive tax on the products that we make and sell in Maryland.

In conclusion, EPR is an expensive and ineffective solution to a problem that simply does not exist when it comes to paper. For these reasons, we must respectfully oppose this bill.

HB 36_INFO_MML.pdf

Uploaded by: Fiore, Justin

Position: INFO



Maryland Municipal League

The Association of Maryland's Cities and Towns

TESTIMONY

February 9, 2021

Committee: House Environment & Transportation

Bill: HB 36 – Environment – Packaging, Containers, and Paper Products – Producer Responsibility

Position: Informational

Reason for Position:

The Maryland Municipal League does not have a position on HB 36, but would like to share the following perspective with the Committee. As introduced, this legislation would allow local governments to request reimbursements from large producers of covered materials and products for collecting, transporting, and processing.

This is a model the League supports, but the bill as drafted does not provide the clarity necessary to understand the impact of the legislation on our operations, to include the potential for new practices and the process for securing reimbursements. That said, we believe this will be a net-positive for the State and our cities and towns.

As always, MML is here to help the committee navigate such challenges. For these reasons, the Maryland Municipal League respectfully requests to be included in stakeholder discussions on HB 36 as a party of interest.

FOR MORE INFORMATION CONTACT:

Scott A. Hancock	Executive Director
Angelica Bailey	Director, Government Relations
Bill Jorch	Director, Research & Policy Analysis
Justin Fiore	Manager, Government Relations

1212 West Street, Annapolis, Maryland 21401

410-268-5514 | 800-492-7121 | FAX: 410-268-7004 | www.md-municipal.org

The Maryland Recycling Network Response - HB 36 P

Uploaded by: Houstle, Peter

Position: INFO



February 9, 2021

To: Maryland House Environment and Transportation and Economic Matters Committees
Re: HB 36 Environment – Packaging, Containers, and Paper Products – Producer Responsibility

The members of the Maryland Recycling Network are involved in all aspects of recycling in Maryland. We are community and county recycling coordinators responsible for implementing and overseeing recycling programs, private sector companies that collect and process recyclables, agencies, non-profit organizations, and recycling activists. We promote the “3 R’s” of sustainable reduction, reuse and recycling of materials that are otherwise destined for disposal and the manufacturing and purchase of products made with recycled content. We achieve these goals through education programs, advocacy activities to affect public policy, technical assistance efforts, and recycling market development.

We are not taking a position in support or opposition to HB 36 Environment – Packaging, Containers, and Paper Products – Producer Responsibility. We do not do this lightly. We are not opposed to producer responsibility legislation. Indeed, we have supported similar legislation for a number of products in the past. This year, we have already filed comments in support of HB 127, which would establish extended producer responsibility for paint.

Instead, we are offering comments reflecting our concerns with this proposal and its ability to improve recycling in Maryland’s counties and municipalities. The producers may become “responsible” but we will continue to be directly involved in educating residents, overseeing recycling programs, and collecting and processing the paper and packaging products covered by this legislation. We believe the bill, as written, needs to take into consideration the incredible diversity of how recycling and solid waste are paid for and managed by Maryland’s counties and municipalities and how those local government responsibilities will continue after enactment.

For example, “who pays” and “how they pay” for recycling varies widely across Maryland:

- Many municipalities and some counties use taxes to pay for recycling collection and processing. Four counties use fees, not taxes, to pay for these services.
- In most Maryland counties, residents of unincorporated areas contract with a private hauler to collect their recyclables. This also occurs in a number of municipalities. Obviously no tax dollars are involved in those services.
- In many areas where recycling collection is not offered, residents rely on county-funded drop-off bins.
- In addition, some municipalities use public sector employees to collect recyclables while others, along with several counties, contract with private haulers to provide this service.

Differences in “who collects and processes those materials” create an additional level of complexity:

- Most Maryland local governments use the “single stream” system of collecting and processing recyclables that have been placed in one bin.
- One Maryland county uses the “dual stream” method in which paper products are placed in one bin while packaging is placed in another and are then processed separately. One municipality within that jurisdiction, however, uses single stream.
- Drop-off programs usually take separated materials.

These factors alone raise considerable challenges to the smooth implementation of a producer responsibility program for residential recyclables. They raise questions that go unanswered in the experience of establishing similar programs in the countries and Canadian provinces that adopted producer responsibility programs similar to HB 36. Maryland will be creating a unique program without

any viable precedents for guiding a transition to a new system. To allow all of the details in creating such a program to fall upon a producer group unversed in how recycling programs operate in the Free State would be a mistake. Failure is not an option. We want this program to succeed.

The Maryland Recycling Network is also concerned with the expansive definition of paper products and plastic packaging in the bill:

- All paper products (except for a limited class of printed materials such as books) are covered. This includes napkins, paper towels and tissue paper.
- All plastic packaging is also covered. This includes containers for products such as motor oil and the plastic packaging for products that are regulated by the Federal government, such as those used for medical products.

We know of no Maryland recycling processing facilities that can sort out and manage those products. Nor do we know of markets for them. We do not believe a producer group will be able to upgrade Maryland's existing recycling processing facilities in the six-month period between approval of the stewardship plan and its implementation (see (F) line 4, page 8 of HB 36). It is equally unlikely that they will be able to find markets for these products. Marylanders could see their carefully sorted materials sent to disposal due to unworkable goals.

Finally, many details need to be worked out involving the relationship of counties and municipal governments to the producer group. For instance:

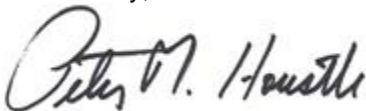
- What is a local government's relationship with the producer group and what are the expectations of that group in regard to local governments?
- How will collection, transportation and processing costs be covered?
- Will local governments be required to use a designated processing facility or the facility of their choice?
- Will local governments and recyclers be involved in the oversight of the producer group?

Instead of leaving these details to be decided by the producer group, we believe they need to be addressed in the legislation or by a working group over the next year.

The Maryland Recycling Network thanks Delegate Lierman for her interest in improving recycling in Maryland. HB 36 offers a starting point in that direction. We look forward to working with HB 36's sponsor and co-sponsors, along with local governments at both the county and municipal level, recycling companies, producers and all parties involved in recycling in Maryland, in creating a more inclusive and comprehensive approach.

As always, the Maryland Recycling Network stands ready to serve as a sounding board and resource for legislators and others interested in pursuing our mission. Please do not hesitate to contact me via email phoustle@marylandrecyclingnetwork.org, phone 301-725-2508 or mail - MRN, PO Box 1640, Columbia MD 21044 if you have any questions or would like additional information regarding the above.

Sincerely,



Peter M. Houstle
Executive Director

HB 36 Committee Letter (002)

Uploaded by: I. Gutiérrez, Carlos

Position: INFO



CONSUMER
HEALTHCARE
PRODUCTS
ASSOCIATION

Taking healthcare personally.

February 8, 2021

Chairman Kumar Barve
Room 251
House Office Building
Annapolis, Maryland 21401

Letter of Information

HB-36 Environment – Packaging, Containers, and Paper Products – Producer Responsibility

Dear Chairman Barve:

On behalf of the Consumer Healthcare Products Association (CHPA), the national trade association representing the leading manufacturers of over-the-counter (OTC) medications, dietary supplements, and consumer medical devices, I'd like to thank you for the opportunity to comment on HB 36 related to packaging and producer responsibility.

Our industry is very committed to advancing sustainable practices and shares the goal of minimizing environmental impacts created by product packaging. Many of our member manufacturers already have recycling efforts in place and encourage the development of more sustainable products, while remaining compliant with existing federal law.

The packaging of drugs, dietary supplements, and medical devices is very complex and highly regulated by the Food and Drug Administration (FDA) to ensure the safety, quality, and stability of the products sold. It is a multi-faceted and highly regulated space that forces manufacturers to consider several factors beyond just the aesthetic appeal of the package itself.

For instance, the FDA regulates drug product packaging under Good Manufacturing Practices regulations including material examination and usage criteria, packaging and labeling operations, tamper-evident packaging and expiration dating. Certain drugs and dietary supplements are also regulated by the Consumer Product Safety Commission (CPSC) under the Poison Prevention Packaging Act (PPPA), which requires child-resistant packaging. Manufacturers are required to test their packaging and certify compliance with this regulation. In addition, drug products for which packaging does not comply with PPPA packaging and labeling regulations are misbranded under the Food Drug and Cosmetic Act (FDCA). The Dietary Supplement Health and Education Act (DSHEA) was enacted in 1994 as an amendment to the FDCA. DSHEA explicitly defines dietary supplements as a category of food. Therefore, all the safety concerns regarding the use of plastic materials made from post-consumer resins in food-contact articles as described in the FDA guidance entitled, *Recycled Plastics in Food Packaging* apply to dietary supplements.

Given the potential conflict between existing federal regulation and this bill, we requested an exemption from HB 36 by Delegate Lierman and she willingly granted it. We appreciate Delegate Lierman's willingness to consider our concerns and as a result have removed our opposition to this legislation.

Taking healthcare personally.

Thank you for taking the time to consider our testimony and feel free to contact me or our local representative, Davion Percy, directly with any follow up questions you may have.

Sincerely,



Carlos I. Gutiérrez
Vice President, State & Local Government Affairs
Consumer Healthcare Products Association
Washington, D.C.
202.429.3521
cgutierrez@chpa.org

Cc: Environment and Transportation Committee
Delegate Brooke E. Lierman

HB 36 - MD-DE-DC Beverage Association - Informatio

Uploaded by: Valentino, Ellen

Position: INFO



To: House Environment and Transportation Committee
House Economic Matters Committee

From: Ellen Valentino

Date: February 9, 2021

Re: HB 36 Environment – Packaging, Containers, and Paper Products – Producer Responsibility - Informational

The MD-DE-DC Beverage Assn. is committed to working with policy makers in Maryland to find sustainable solutions that improve recycling, in a smart and efficient way.

The beverage industry makes bottles that are 100% recyclable. We certainly want to optimize their collection and recycling so we can turn them into new bottles and cans, and so they do not end up as waste in the environment.

We have a comprehensive new initiative in place to help advance this goal. See more on the attached presentation, which was made to the Environment Recycling Workgroup, on September 9, 2020.

Early this session we supported HB 164 Department of Environment – Office of Recycling - Recycling Market Development. That Legislation has moved favorably out of this committee and the Senate companion bill is also heading favorably to the Senate floor.

Efficient and effective recycling policies start with recycling studies and without a comprehensive market development study (HB 164) any new laws will fall short.

MARYLAND • DELAWARE • DISTRICT OF COLUMBIA BEVERAGE ASSOCIATION
P.O. Box 711 • Annapolis, MD 21404
410-990-9502



Printed on Recycled Paper





MD-DE-D.C.
BEVERAGE

ASSOCIATION

Ellen Valentino

evalentino@ellenvalentino.com

Who We Are.

MARYLAND

ANNUAL ECONOMIC CONTRIBUTION
OF THE BEVERAGE INDUSTRY



The Beverage Industry is a Major Contributor to Maryland's Economy

Maryland's beverage companies manufacture and distribute some of the most popular non-alcoholic beverages in the world. From products in your neighborhood store to our support of local community initiatives, our presence is felt in **every community** across the state. We play an **important role in the state's economy** by providing good-paying jobs, paying significant tax dollars to the state and federal government and making generous charitable contributions to organizations across the state.

2,748 JOBS

PROVIDED BY
MARYLAND'S
BEVERAGE INDUSTRY



1,101
soft drink jobs



350
bottled water jobs



224
100 percent
juice/juice drinks jobs



302
other beverages jobs



771
distribution jobs



BENEFITING LOCAL BUSINESSES

More than 23,882 workers in restaurants, grocery stores, convenience stores, movie theaters and more depend, in part, on beverage sales for their livelihoods. Additionally, 7,794 workers whose companies supply ingredients and materials among other things to the beverage industry depend partly on beverage sales for their paychecks.



MAKING AN ECONOMIC IMPACT

- \$1.9 billion direct economic impact
- \$222.1 million in wages and benefits
- \$204.8 million contributed in state taxes
- \$297.7 million contributed in federal taxes



SUPPORTING LOCAL CHARITIES

Maryland's beverage companies and their employees also generously contribute \$26.9 million to charitable causes across the state.

MORE CHOICES. SMALLER PORTIONS. LESS SUGAR.



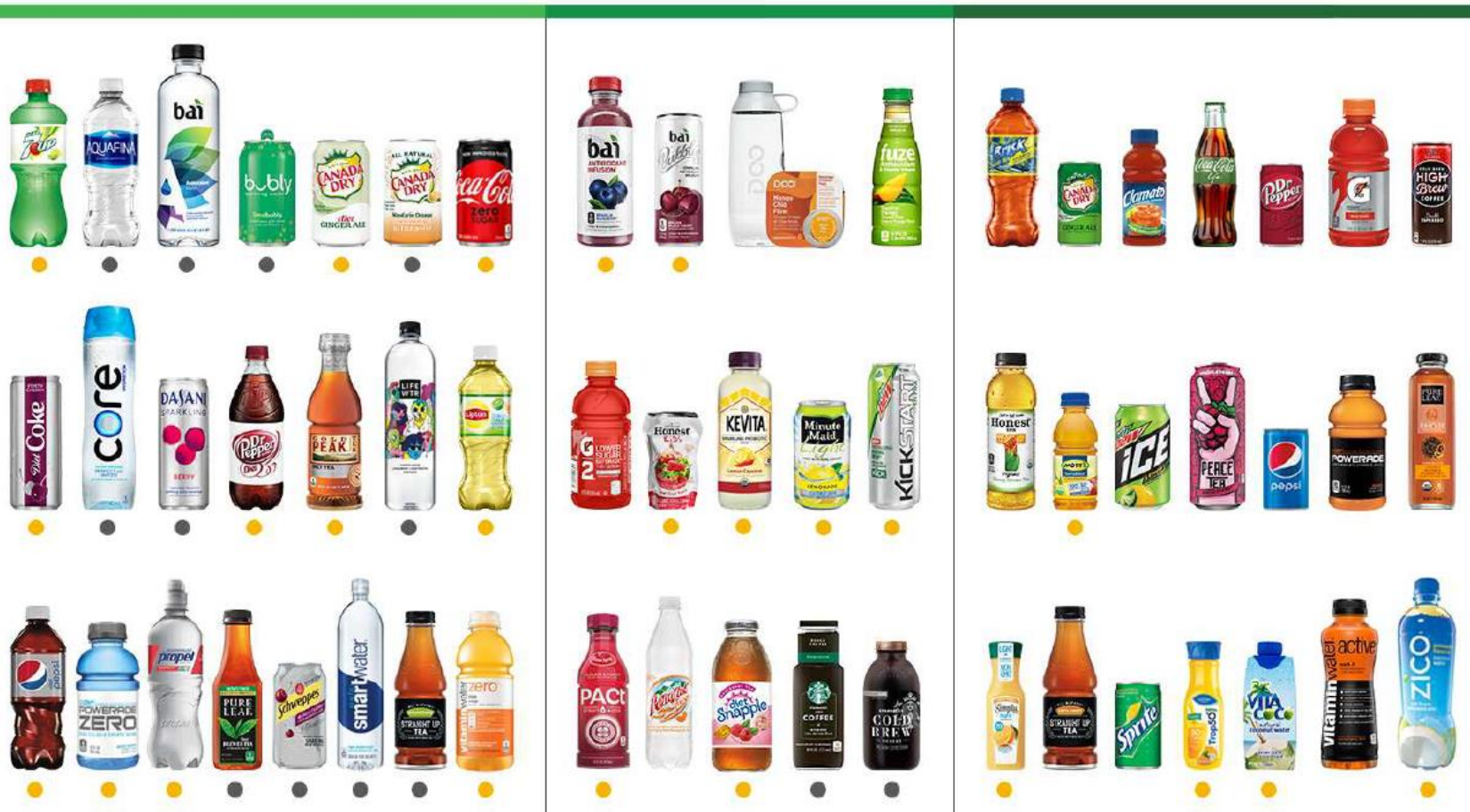
● NO ADDED SUGAR

● NO ADDED SWEETENER

0 CALORIES
PER CONTAINER

5-40 CALORIES
PER CONTAINER

45-100 CALORIES
PER CONTAINER



INNOVATING AND INVESTING IN OUR ENVIRONMENT

Beverage companies are working with local leaders and environmental groups nationally to reduce plastic, cut our carbon footprint, conserve vital resources and keep the places we live and work litter-free. Industry and government can work together on the environment.

It helps two bottom lines: the Earth's, and our own.



WATER

We've **REDUCED** our water use by

14%

PER UNIT
OVER FIVE YEARS.



ENERGY

We've **VOLUNTARILY PHASED OUT** HFCs equal to taking

15M

CARS OFF THE ROAD.



FLEETS

We've **IMPROVED** average fleet **MILES PER GALLON** by

13%

SINCE 2010.



PACKAGING

Through lightweighting and packaging reduction we've **SAVED**

100s

of **MILLIONS OF POUNDS** of raw materials industry-wide.

RECYCLING



We're producing aluminum, plastic
and glass containers that are

100%

RECYCLABLE—

even the caps can be recycled.

Every Bottle Back

**OUR 100% RECYCLABLE BOTTLES ARE MADE TO BE REMADE.
AND WE WANT EVERY BOTTLE BACK.**

America's leading beverage companies are working together to reduce our industry's plastic footprint through our new **Every Bottle Back** initiative. We're using less new plastic and investing in efforts to get our bottles back so we can remake them into new ones.

The Coca-Cola Company

 Keurig
Dr Pepper

 PEPSICO

 AMERICAN
BEVERAGE
ASSOCIATION

▶ [EveryBottleBack.org](https://www.EveryBottleBack.org)

OUR COMMITMENT

We're working together to help ensure our plastic bottles become new bottles, and they don't end up in our oceans, rivers and beaches.

MAKING 100% RECYCLABLE BOTTLES

We're carefully designing our plastic bottles to be 100% recyclable—even the caps.

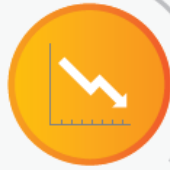
Our unique plastic bottles are made from PET because it's strong, light, valuable, and most importantly, easy to recycle and make into new products, including new bottles.



RAISING AWARENESS & INSPIRING ACTION

We're investing in awareness campaigns to reinforce and promote the value of our 100% recyclable plastic bottles with consumers and stakeholders, inspiring audiences to recycle them.

EVERY BOTTLE BACK



MEASURING OUR PLASTIC FOOTPRINT

World Wildlife Fund is providing strategic, scientific advice to help measure our industry's efforts to reduce our plastic footprint.



ADDING MESSAGE ON PACKAGING

Our companies are coming together to voluntarily introduce a new on-pack message to promote the recyclability of our plastic bottles and caps.



IMPROVING RECYCLING INFRASTRUCTURE

We're working to improve the quality and availability of recycled plastic in key regions of the country by directing the equivalent of \$400 million to **The Recycling Partnership** and **Closed Loop Partners** through a new \$100 million industry fund that will be matched three-to-one by other grants and investors.



WWF



Unprecedented Coalition

Thank you.

Ellen Valentino

evalentino@ellenvaletino.com