

March 9, 2022

Delegate Kumar Barve Chair, Environment and Transportation Committee Maryland House of Delegates

## RE: HB 1239 - Environment - Plastic and Glass Products - Postconsumer Recycled Content Program - Opposed

Thank you for the opportunity to share our perspective on HB 1239 which is being heard before your committee. The American Cleaning Institute® (ACI) is the trade association representing the \$60 billion U.S. cleaning products market. ACI members include the formulators of soaps, detergents and general cleaning products used in household, commercial, industrial and institutional settings; companies that supply ingredients and finished packaging for these products; and oleochemical producers. ACI and its members are dedicated to improving the health and quality of life through sustainable cleaning products and practices. ACI's mission is to support the sustainability of the cleaning products industry through research, education, outreach and science- based advocacy.

The optimization of ACI member company product packaging is a priority to deliver the performance of the products ACI members produce. It is for this reason that we have established guiding principles that help us ensure our products which provide hygiene and cleanliness do so in a manner that is environmentally sound, socially responsible and economically viable without compromising the ability of future generations to meet their needs. Our members have collaborated on guidelines to help direct packaging design and manufacturing. We have charted a roadmap to help us achieve 100% collection and reuse, recycling or composting of cleaning product packaging waste by 2040 which will include increased recycled content use.

ACI appreciates that the General Assembly is lending time to the issue of recycled content in packaging. Our members have goals that are in line with the intent of this legislation. However, at this time, our concerns remain that this bill will negatively impact our ability to achieve nationwide sustainability initiatives. We address those concerns here:

- Rates go beyond what our industry has been able to commit to. We are concerned that increases in mandated recycled content rates will occur automatically without justification from national recycling trends. Further, there is no study conducted that informs the initial proposed rates.
- It is difficult to report state-specific data of this sort. The nature of today's supply chains means that producers often do not have control of where a product will ultimately be sold. Compliance of this sort would need to be based on national sales data that could be prorated for New Jersey's population.

- Third-party certification in this bill would be problematic. There is no instruction on which entity or which standard would be sufficient for compliance.
- Exemptions for the various covered products are inconsistent. For instance: caps, closure and labels are emitted from recycled content provisions in plastic beverage containers but not for other rigid plastic containers.
- Mandating PCR content in new uses may take recycled content away from other applications in which it is already being used. This is an unintended consequence, and this legislation assumes that recycled materials are not being marketed for their best available use.

These are just some of the implications of this bill. While we understand its intent, we believe it falls short of the sustainability goals it seeks to achieve. Furthermore, we understand there are more comprehensive recycling initiatives being discussed which we are waiting to review. Our hope is that Maryland will address the entire solid waste management system instead of a taking a piecemeal approach.

We would like to reiterate that ACI members support post-consumer recycled content use and are already doing so in many applications. One of our goals as an industry will depend on increased post-consumer recycled content use and less virgin material per dose. We hope the General Assembly will take more time to contemplate ACI input on this bill. ACI looks forward to being a priority stakeholder to the development of such legislation or providing necessary input regarding the performance of our products and packaging to achieve desired policy goals.

Sincerely,

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