February 20, 2023



House Environment and Transportation Committee Room 251 House Office Building Annapolis, MD 21401

SUBJECT: HB 342 – Environment – Plastic Products – Postconsumer Recycled Content Program- OPPOSE

Dear Chair Barve and Esteemed Members of the Committee,

On behalf of the members of the Plastics Industry Association (PLASTICS), I appreciate the opportunity to share our perspective on HB 342 and why we are unfortunately opposed to the bill at this time. As the only association that represents the entire plastics manufacturing chain, with nearly 1 million jobs across the country, postconsumer recycled content (PCR) issues are of significant interest to PLASTICS and our members. Unfortunately, we cannot support HB 342 as written, as it would provide for unintended environmental consequences, and places restrictive recycled content mandates on producers that may very well be unfeasible to achieve.

HB 342 does not require a fully encompassed needs assessment be completed prior to determining recycled content rates and compliance mandates. A scientific analysis should always be conducted by the proposed regulating entity to determine whether requiring recycled content will yield positive environmental outcomes across important impact areas. Before a requirement is set, research must be done to quantify if there is an appropriate and adequate supply of recycled plastic for all products impacted. This would especially apply to ensure the safety of recycled plastic used for food-contact applications which may require a Letter of No Objection (LNO) materials from the FDA. The balance between supply and the required minimum amount should be regularly evaluated and adjusted according to supply constraints.

There is already wide-spread vocalization by plastics industry manufacturers addressing the lacking amount of available resin. Any mandates set in statute without proper prior evaluation will only hinder the success of this proposal's intent, by requiring rates that cannot be met from the onset. Instead of potentially setting up producers and manufacturers for failure, we urge the committee to support solutions that increase recycled content supply such as infrastructure investments, as well as urge you to look to legislation such as Delegate Love's EPR proposal, HB 284, which places the proper parameters by which recycled content rates are to be determined.

While our members strive to incorporate more recycled content into their products and packaging, more work needs to be done to improve recycling supply chains. More material needs to be collected by educating consumers, discouraging waste disposal and improving domestic collection and sorting capabilities through new infrastructure. Only then will a sufficient amount of material be collected for various end markets. Setting strict recycled content mandates without adequate research or proper capabilities may prevent these products from coming to market.

Thank you again for the opportunity to comment on this important issue. PLASTICS advocates for the responsible recycling, reuse, and recovery of all plastics products. We want nothing more than to work with the sponsor and the committee to set achievable goals and assist in developing policies that improve the production and use of recycled content.

If I can offer any further insight or clarification, please do not hesitate to reach out to me at <u>dfortunato@plasticsindustry.org</u>.

Sincerely,

Danielle Fortunato Regional Director, State Government Affairs Plastics Industry Association

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