

February 12, 2025

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

On behalf of the <u>Association of Plastics Recyclers (APR)</u>, I am submitting comments as favorable with amendments on HB 232 - Maryland Beverage Container Recycling Refund and Litter Reduction Program.

The Association of Plastic Recyclers (APR) is a US-based non-profit and the only North American organization focused exclusively on improving the recycling of plastics. The APR represents over 90% of the processing capacity for post-consumer plastic packaging—our members include the businesses that recycle most of the plastic packaging after it has been collected and sorted by Maryland's recycling programs. APR understands the challenges facing the industry and the solutions needed to scale recycling effectively as a key solution to reduce plastic pollution and waste and move toward a more sustainable, circular economy.

This is a proven solution to reduce litter, recycle more beverage containers, and build a more resilient domestic supply chain. This bill will take plastic bottles off the streets and out of the waterways of Maryland, and instead put them back into the hands of U.S. manufacturers to be made into new packaging.

### SUGGESTED AMENDMENT: INTEGRATE WITH EPR FOR PACKAGING

Both Recycling Refunds and EPR for packaging policies are needed solutions to collect more plastic packaging for recycling. Recycling Refunds are the most proven, effective solutions for collecting and recycling plastic beverage containers, while EPR for packaging improves recycling for all types of plastic packagings. Recycling Refunds can also substantially reduce litter, providing a critical complementary benefit to EPR for packaging. It is important to recognize these two policies are most effective when implemented in tandem and we urge the legislature to consider these as both-and policies, not an either-or approach. APR is committed to working with stakeholders to find a pathway to align this bill with the work currently underway on EPR for packaging through SB 222, passed in 2023, as well as the active consideration of SB 901, an EPR for packaging bill, in the legislature.

### THIS BILL IS A WIN FOR THE ENVIRONMENT AND THE ECONOMY

If implemented in a prudent manner, Recycling Refunds will:



## Reduce litter and plastic waste.

Beverage containers are among the most littered items across beaches, parks, streets, and other public areas. Recycling refunds are proven to <u>reduce bottle</u> <u>litter by 30-50%</u>, and <u>70% of US residents want the government</u> to take action to reduce plastic waste and litter.

## Significantly increase plastics recycling.

Plastics recycling works every day all across the US. Nearly <u>5 billion pounds</u> of plastic were recycled in the US in 2020. This is led by states with bottle deposit programs where over <u>70% of plastic beverage containers are collected and</u> <u>recycled</u>. With more deposit policies, U.S. plastic recyclers would have access to more material. <u>Recyclers could process 40% more</u> soda bottles, water bottles, milk jugs and other common plastics today using our country's existing infrastructure if they were able to access more material.

## Support US jobs.

Five billion pounds of post-consumer plastics are recovered for recycling from US sources each year, and more than <u>92% of plastics are recycled within</u> North America, supporting jobs and local economies across the country. <u>Recycling</u> <u>plastics, metal, glass, paper, and other materials supports over 680,000 jobs</u> and contributes more than \$37.8 billion in wages and \$5.5 billion in tax revenues across the U.S.

# Strengthen domestic supply chains.

Recycling provides companies with the raw feedstocks to make new products. By collecting and reusing our plastics domestically, we strengthen local supply chains, reduce global market volatility, and keep more value circulating in local economies.

### Reduce carbon pollution.

Plastics recycling also saves energy, reduces pollution, and reduces use of fossil fuels. Recycling #1 and #2 plastic bottles can save <u>75 to 88% of the energy</u> <u>used to make virgin plastics and reduce GHG emissions by 70%.</u>

### Business leaders are calling for policy to drive change.

Business leaders around the US are calling for state and federal legislation to accelerate investments in recycling to meet their circular economy goals. The <u>US</u> <u>Plastics Pact supports bottle deposit policies</u>, and the <u>major U.S. trade associations</u> <u>representing plastics, glass, and aluminum</u> all support deposit policies.



# US companies want to buy more recycled plastics but supply is lacking

Major consumer goods companies, <u>such as Nestle, Procter & Gamble, and PepsiCo</u>, have made substantial commitments to use more recycled plastic in their packaging. Recycling rates for PET water bottles and soda bottles need to nearly triple by 2025 to meet this demand. Without greater participation in recycling, companies will need to import plastics from other sources outside the U.S. to meet these goals.

### **MOVING FORWARD**

We encourage you to amend this bill and align it with the EPR for packaging initiatives to deliver a best-in-class program for Maryland. APR staff are available at your convenience to discuss these comments and share further technical, regulatory, and policy information. Please do not hesitate to contact Allison Kustic, State Government Relations Manager, at <u>allison@plasticsrecycling.org</u>.

Sincerely,

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Allison Kustic State Government Relations Manager The Association of Plastics Recyclers