

Friday, February 14, 2025

Chairman Marc Korman Environment and Transportation Committee Maryland State House of Delegates

Re: Testimony from the American Cleaning Institute on HB 69 – Unfavorable

Thank you for the opportunity to provide testimony on HB 69 which is being heard before your committee. The American Cleaning Institute (ACI) – the national trade association representing the \$60 billion cleaning product industry – has a vested interest in the reduction of plastic packaging waste. To that end, one of our goals is to completely eliminate plastic waste from cleaning products by 2040. As an industry, we are committed to improving packaging by ensuring that it is recyclable or reusable, reducing virgin material use and increasing post-consumer recycled (PCR) or renewably sourced content. In addition, we know we have a role to play in helping evolve our systems of recovery. Our Circular Packaging Roadmap¹ supports this transition by outlining our ambition and associated goals. While our industry is supportive of shifting the market away from the continued use of virgin resins, we stress the importance of proper packaging for the safe and effective use of our members' products.

We appreciate that the Legislature has considered a number of proposals to address packaging waste in Maryland in recent sessions. We were happy to be noted as favorable with amendments on HB 284 from 2022, which established an extended producer responsibility (EPR) needs assessment. This assessment, and related EPR proposals, will lead to more comprehensive programs to address packaging waste and we are excited to see the recommendations that come from this study.

Therefore, we do not believe that additional policies should be passed without fully understanding the entire landscape of Maryland's recycling system. There is already extremely high demand for recycled content which is directing this material to its highest and best use. Establishing rates and dates for recycled content in packaging should be backed by scientific data supporting these values and be backed by investments to improve the supply of recycled content – data that will be gathered in the on-going needs assessment.

There are also other practical considerations that need to be considered. Namely:

- 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.
- 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

¹ https://www.cleaninginstitute.org/sustainable-cleaning/our-future-clean/circular-packaging

- be sold. Compliance of this sort would need to be based on national sales data that could be prorated for Maryland's population.
- Third-party certification in this bill would be problematic. These third-party certifiers may be inundated with requests due to new national requirements that are beginning to be implemented. It should be sufficient for a company to self-certify and maintain the documentation needed to demonstrate to the Department of the Environment that the required recycled content has been incorporated.
- 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 used for household cleaning or personal care products.
- 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.

Lastly, 2025 is the first year that both New Jersey and Washington have PCR requirements for household cleaning product packaging which has already produced new demand for PCR materials. Five states have passed packaging EPR laws which will also attract PCR material. And finally, data from the Northeast Recycling Council shows that the average value per ton of material leaving material recovery facilities continually increased up until September – further demonstrating the already high demand for recycled material².

For these reasons, ACI is opposed to this bill but would like to continue to engage with the Legislature about how to improve the performance of the recycling system in Maryland.

We would like to reiterate that ACI members support efforts to reduce packaging waste. We hope the Legislature will take more time to contemplate ACI input on this bill. ACI looks forward to providing necessary input regarding the performance of our products and packaging to achieve desired policy goals.

Sincerely,

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² Quarterly MRF Reports | Northeast Recycling Council