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AMERIPEN Testimony on S.113

“An Act Relating to the Management of Single-Use Products”

**Vermont House Committee on Natural Resources, Fish and Wildlife
April 25, 2019**

Representative Sheldon and Members of the Committee on Natural Resources, Fish & Wildlife thank you for the opportunity to comment on S.113 and offer AMERIPEN's perspective on this legislation and effective recycling policy for packaging.

AMERIPEN – the American Institute for Packaging and the Environment – is a coalition of packaging producers, users and end-of-life materials managers dedicated to improving packaging and the environment. We are the only material neutral packaging association in the United States. Our membership represents the diversity of the packaging sector, its supply chain, and end-of-life management partners. We focus on science and data to define and support public policy positions that improve the recycling of packaging materials---our comments are based on this rigorous research approach and rooted in our commitment to achieve sustainable packaging.

AMERIPEN supports the State's efforts to revise and evaluate improve the management of packaging materials in the municipal waste stream and we continue to support efforts to improve recycling and reduce contamination of valuable recycled commodities.

However, AMERIPEN has concerns about S.113 which requires that Agency of Natural Resources form single-use product, packaging Working Group that appears predisposed toward endorsing a Extended Producer Responsibility program (EPR). We ask you to consider the following issues, concerns and recommendations and refrain from adopting S.113 – in its current form.

1. Key Issues with the Scope, Make-up and Direction of the Working Group

While S.113 only demands a working group for "single-use" items it has several fundamental flaws if the results are to be reasonable and implementable. These issues include:

- **Scope:** The definition of "single use" product is overly-broad and does not provide a reasonable scope for the Working Group. Everything from magazines, to ink pens, to paper plates and all packaging materials would be included under the scope of the current proposal.
- **Reliance of EPR:** The Working Group in Section 6, is tasked to evaluate EPR programs for single-use products, with a clear disposition toward that outcome. This section ignores other systems of improving management of recyclable materials, such as pay-as-you-throw and consumer education. Additional issues with EPR are listed below.
- **Make-up of the Working Group:** The make-up of the Working Group also lacks sufficient representatives of the packaging industry including impacted manufacturing sectors, that should be represented, as they were similarly in Connecticut.

AMERIPEN believes these issues and concerns, in addition to the factors below, should be considered and addressed if S.113 is to move forward with this section remaining in the legislation.

2. Connecticut Consumer Packaging Reduction Taskforce Concluded EPR is Not the Best Solution

As a benchmark, in 2016 in Connecticut, there was a significant discussion of consumer packaging reduction, extended producer responsibility and other aspects of the changing volumes of the municipal solid waste stream. The result of extensive debate on these topics was the passage of a Taskforce to Study Methods for Reducing Consumer Packaging that Generates Solid Waste.

The Taskforce discussed and debated EPR and voted NOT to recommend pursuing this approach in Connecticut. A majority of the Taskforce agreed that EPR would not increase recycling, would not lead to lower costs for citizens of the state, and would not lead to greener packaging. To increase recycling, the Taskforce recommended expanding education programs and convenience for multi-family housing in Connecticut's largest cities.¹ As such, AMERIPEN believes that these approaches should be considered first, before mandating a massive product stewardship mandate, such as S.113

3. *Flaws and Hidden Costs with Extended Producer Responsibility/Product Stewardship for Packaging*

Extended Producer Responsibility (EPR) or product stewardship for packaging, requires producers to take full or partial financial and management responsibility for products at the end of their life via product stewardship organizations (PSOs). This approach has not been proven as feasible in the U.S., and EPR has primarily been used elsewhere as a funding mechanism to implement end-of-life materials management programs where no funding source has been previously available. In the European Union, for example, funding from EPR was used to implement the widespread implementation of recycling programs *for packaging that had already been proven to be recyclable*. Most innovation funding for new recycling technology is not coming from EPR fees but rather through government and private funding mechanisms and EPR does not address that scenario. AMERIPEN would encourage Vermont to first consider the infrastructure investments needed to improve recycling capacity before jumping to financing solutions.

AMERIPEN further notes, there is no research demonstrating that EPR reduces costs to taxpayers², and none that support EPR's role in fostering packaging changes and innovation. While there are several reports that indicate EPR may help increase recycling rates, there are also a number that indicate an increase in recycling rate also incurs an increase in contamination and costs. In a 2015 publication³ Dr. Calvin Lakhan noted that the Ontario BlueBox program had witnessed a 78% increase in fees in over a 10-year period. Dr. Lakhan notes that a 1% increase in recycling rate corresponded with a 9.4% increase in costs, which he attributed mostly to fluctuating market economics and the introduction of hard-to-recycle materials.

4. *Market Challenges for Materials Cannot be Fixed by EPR*

AMERIPEN recognizes that increased efforts toward domestic processing and infrastructure improvement and creation can be a key strategy in reducing marine debris, improving environmental outcomes and increasing our economic competitiveness. However, as currently proposed by S.113 there is an assumption that if manufacturers manage the collection of packaging materials, then the material will be re-processed. This is flawed as demonstrated by Dr. Calvin Lakhan's research.

¹ Task Force to Study Methods for Reducing Consumer Packaging that Generates Solid Waste: Recommendations, https://www.cga.ct.gov/env/tfs/20170216_Task%20Force%20to%20Study%20Methods%20for%20Reducing%20Consumer%20Packaging%20that%20Generates%20Solid%20Waste/Final%20Report/Task%20Force%20to%20Study%20Methods%20for%20Reducing%20Consumer%20Packaging%20that%20Generates%20Solid%20Waste%20-%20Final%20Report.pdf

² Miller, Chaz. "From Birth to Rebirth: Will Product Stewardship Save Resources?" American Bar Association. Section of Environment, Energy and Resources. 2011.

³ Lakhan, Calvin. (Feb 2015) "[Diversion But At What Cost: the Economic Challenges of Recycling in Ontario.](#)" Resources, Conservation and Recycling.

Many plastic resins and mixed materials have limited or no end-markets. Furthermore, technology for mechanically recycling many of these materials are lacking. Alternative recovery strategies such as plastics-to-fuel or other forms of energy recovery may be possible but are challenged by a lack of sufficient volume to meet their needs to process and scale, we are concerned this would be unique challenge for a geographically diverse state like Vermont.

Recognizing this challenge, many of our corporate members are supporting these efforts through investments into initiatives including [The Recycling Partnership](#), [REMADE](#), and the [Alliance to End Plastics Waste](#).

However, until these investments identify new technologies or the best means to capture increased volumes of resin types, the ability to successfully re-process significant volumes of plastics 3-7 and other mixed materials will remain a challenge. AMERIPEN believes the additional burden to collect, sort and process materials via EPR will slow any R&D contributions towards this goal.

5. Focus on potential public/private partnerships which can increase the recovery of all recyclable materials—including packaging

Something that the Committee should also consider is the potential for Vermont to engage in public-private partnerships to help fund and support and increased recovery and decreased contamination. Towards this objective, we encourage the State and DEP to continue to explore two significant initiatives led by the private sector and designed to help increase and finance recycling systems across the State:

- i. *The Recycling Partnership* works to increase access and efficacy of municipal recycling programs. They also offer financial support to place large recycling carts in communities which have been proven to increase the amount of recyclables collected and they are proving tremendous success working with communities to reduce contamination rates. As the State seeks to increase access to single stream recycling, the Recycling Partnership can be an effective resource in identifying best practices and funding support.
- ii. Funded by a consortium of private brands, *The Closed Loop Fund* provides no-interest loans to communities and low-interest loans to private entities to help increase the capacity of recycling systems.

Both programs are demonstrating significant impacts on increasing recovery within an aging and challenged recovery system.

6. Conclusion

AMERIPEN appreciates the opportunity to comment on proposed S.113. We urge the Committee to avoid approaches, such as EPR, that merely shift costs and do not change consumer behavior or demonstrate improvements to solid waste management outcomes. AMERIPEN asserts that there are more comprehensive and less disruptive ways to addressing the issue of consumer packaging materials in the waste stream, and therefore, respectfully requests that the Committee **vote ought not to pass on S.113, in its current form.**