

21 October 2019

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Honorable Todd Kaminsky, Chair and
Members, Senate Environmental Conservation
Committee, New York State

Honorable Steve Englebright, Chair and
Members, Assembly Environmental Conservation
Committee,
New York State

In re: Joint hearing of the Senate and Assembled relating to Examining Recycling Related Issues

Dear Chairs and Members,

On behalf of the members of the Plastic Division of the American Chemistry Council (ACC), thank you for this opportunity to comment on steps New York State may consider to bolster recycling.

Summary

Consider public policy that encourages:

- Investment in recycling technology; and
- Residential and commercial recycling, including steps to increase awareness and engagement, proper recycling practices, and recycled content demand.

Background

Plastics. Chemistry and plastics are an important and growing part of our *economy*. Plastic materials manufacturers directly employ 57,600 people in the US. These employees earned on average \$93,600 which is more than 44 percent higher than the average wage for all industries. Including product manufacturing the plastics industry employs nearly 1 million people nationwide

Plastics also provide important *benefits* to society. For example, plastics reduce the weight of our cars reducing fuel use and greenhouse gas (GHG) emissions. Plastics also keep our food fresh and clean reducing food waste. For example, 1.5 grams of plastic protects cucumbers for 14 days over 3 days without and packaging for grapes reduces waste by 20 percent¹. Reducing food waste is important because US Environmental Protection Agency estimates that more food reaches landfills and incinerators than any other single material in our everyday trash, constituting 22 percent of discarded municipal solid waste.

Additionally, producing our food uses 10 times more energy than producing the packaging to protect it. An reputable study looking at the environmental costs of plastics across 18 sectors of our economy found alternatives would increase environmental impacts by 4 times².

¹ AMERIPEN 2018

² Lord 2016



Market disruption. As the Chinese economy grew, China’s industrial consumption for scrap materials, like plastics, increased 50 and 70 percent over the last decade. In fact, almost a third of US scraps commodity exports was sent to China in 2017. However, over the past several years, China created several policies that have effectively halted the international scrap trade for many materials – including plastics.

The most recent policy, known as China Sword, requires such low contamination rate that it is effectively a ban on recycling imports to China.

This fundamental market shift created a need to develop domestic demand for this valuable resources. While disruptive, it creates an opportunity for lawmakers to scrutinize public policies and programs to ensure natural resources are fully optimized and efficiency is promoted. It is also a time to craft policies that lessen the environmental footprint of products over its entire lifecycle.

Circular economy. In May 2018, Plastics Division announced its goals that crystalize U.S. plastics resin producers’ commitment to the circular economy:

- 100 percent of plastics packaging is re-used, recycled or recovered by 2040; and
- 100 percent of plastics packaging is recyclable or recoverable by 2030.

ACC supports the pursuit of a more *circular* economy, one that prioritizes resource conservation and efficiency, **design innovations** that enable longer product lifespans, and reuse, and recycling and **recovery technologies** that allow us to capture the greatest value from materials that have traditionally been discarded.

Industry efforts to control litter, recycling, reduce waste, conserve resources. The industry continues to be a champion of litter education and prevention, waste minimization and recycling programs nationwide and in New York.

ACC and its members have a long history of investing in and supporting recycling. Through its Flexible Film Recycling Group (FFRG), ACC began the Wrap Recycling Action Program (WRAP). This partnership with US EPA, the Sustainable Packaging Association and several states works to increase opportunities for residents and businesses to recycle flexible plastic film including consumer and commercial product wrap; bags for groceries, produce and bread; and other common items like food storage bags and shipping pillows. Recycled film can be used to manufacture products such as durable outdoor lumber for decks and fences, and new packaging materials.

ACC also has sponsored several projects in the Northeast including Save the Bay Narragansett Clean Up Day; Green Up Day in Vermont; and Northeast Recycling Council (NERC) conferences.

Our membership increasingly embraces sustainability and recognizes consumers’ desire to recycle, and we welcome additional opportunities to pursue recycling and recovery initiatives. In recent years, ACC has ramped up engagement and leadership in national and international programs with these goals. For example, ACC participates in the following:

- Co-Leader of Operation Clean Sweep, which helps makers, shippers and users of plastic pellets to contain and prevent them from entering the ocean and waterways;
- Founding partner of The Recycling Partnership, a national recycling nonprofit dedicated to improving curbside recycling ;

- Founding partner and sponsor of Keep America Beautiful “I Want to Be Recycled” campaign to increase consumer awareness and participation in recycling ;
- Supporter of Closed Loop Ocean, designed to fund waste infrastructure solutions in Southeast Asia; and
- Member of Trash Free Seas Alliance with the goal of advancing scientific rigor on marine debris, exploring solutions and increasing public understanding.

In addition to these domestic efforts, ACC helped launch the Alliance to End Plastic Waste. This new non-profit organization is committing \$1.5 billion over five years to end plastic waste and will focus on providing solutions to the largest sources of plastic in our ocean. Initially that work will be largely focused on so-called “high leakage” countries -- where waste collection and management has not kept pace with growing populations and growing economies. A study in Science Magazine estimates that almost 60 percent of plastic waste going into our oceans comes from just five countries, primarily in Southeast Asia. The United States accounts for less than 1 percent³.

Public Policy Consideration

Below are items to help New York’s recycling system. Some of these items may require direct public policy items others may be best implemented by creating incentives or creating guidelines.

Recycling technology investment. Consider if the state could eliminate barriers or create incentives to invest in recycling technology. This might include:

- *Favorable tax treatment.* Enhancing or creating “green bonds” such as industrial revenue bond financing for recycling equipment or tax exemptions or favorable tax treatment of recycling equipment.
- *Infrastructure investment.* Working with industry to create a funding model such as an industry-directed advanced recycling fee or state check-off program for foodservice items to invest in recycling infrastructure.
- *Foam grant.* Consider seeking a grant from the Foam Recycling Coalition (FRC). Launched in 2014, FRC was created to support increased recycling of foodservice packaging made from foam polystyrene. In order to meet this objective, the FRC shares general information on foam recycling, provides technical resources and offers funding assistance to programs ready to start or strengthen post-consumer foam recycling.

Stewardship. Consider adopting policy where foodservice and other items are only provided at customer request.

Public procurement. Consider adopting EPA guidelines⁴ to encourage public procurement of sustainable products and products with recycled content.

Return to retailer programs. Consider partnering with ACC to expand the return to retail program WRAP. This program encourages residents to return film to participating retailers.

In Connecticut, WRAP is helping the state meet its 2024 goal of diverting 60 percent of material from landfilling. A public education and consumer outreach program in Greater Hartford resulted in a 11 percent increase in bags brought to store collection and 7 percent of other plastic films (e.g. bread bags,

³ Jambeck 2015

⁴ US Environmental Protection Agency 2019

dry cleaning bags, etc.) Contamination of items collected decreased by 23 percent and public awareness about what to take back to retailers grew. There was a 10 percent increase in the number retail customers that reported that they “always” or “most of the time” take film back to retail collection to be recycled.

Waste audits and policy. State sponsorship of waste audits to better understand and publish the state’s waste stream. Studies and ensuing policy should be both material neutral and consider the full environmental impact of items to avoid regrettable substitutions. Washington State recently created the Recycling Center within the Ecology Department to improve markets and better educate residents.

Industry engagement. Continue industry engagement and engagement with other parts of the value chain. Consider hosting regular meetings and publishing discussion drafts for public comments.

Uniform recycling guidelines. Urge the adoption of uniform recycling guidelines across the state or region in order to maximize communications, education, and economies of scale for recyclers. This could also be a platform to encourage best practices such as appropriate moisture reduction or making deposits that recycling bin size appropriate.

Modernizing New York law will help develop a more sustainable approach to materials management. At the same time creating jobs and realizing important environmental benefits. A number of states have already enacted modernizing legislation.

Again, thank you for this opportunity to provide this information to the committees. If you have any questions or if I may be of further service, please feel free to contact me at 202-249-6614 or Adam_Peer@AmericanChemistry.com.

Best regards,
Adam S. Peer
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