

























April 8, 2021

The Honorable Laura Friedman California State Assembly State Capitol, Room 2137 Sacramento, CA 95814

SUBJECT: AB 1371 (FRIEDMAN) RECYCLING: PLASTIC: PACKAGING AND CARRYOUT BAGS

HEARING SCHEDULED – APRIL 14, 2021 OPPOSE – AS AMENDED APRIL 7, 2021

## Dear Assembly Member Friedman:

The California Chamber of Commerce and the California Manufacturers & Technology Association along with the organizations listed, which are leading manufacturers, retailers, and consumer product companies, must respectfully **OPPOSE** your **AB 1371** as amended. We agree that increased efforts are needed to ensure packaging material is appropriately collected and recycled. Many of our industries and organizations have been working to develop policies and programs aimed at increasing the recovery of packaging and developing new domestic markets for recycled materials; improve packaging design to increase recyclability; and develop value chain financing for collecting and sorting various packaging formats.

As drafted, **AB 1371** would ban the use of several types of packaging materials used to ship products between retailers and customers, as well as for business-to-business transactions. Though we appreciate the intent of this legislation, we believe it is important to implement a policy that takes into account the necessary role packaging plays in shipping and protecting products, assesses the multitude of environmental attributes (e.g. recyclability, waste prevention, material efficiency, greenhouse gas emissions, etc.) of various packaging materials and arrives at a solution that makes sense environmentally and provides the regulated community with practical and implementable compliance obligations.

A blanket prohibition on certain packaging materials does not fully consider potential unintended environmental impacts and in fact, may lead to increased waste as a result of product breakage or spoilage. For example, expanded polystyrene plays a critical role in the shipment of large, high value products such as televisions and appliances for which no economically viable alternative currently exists that provides adequate product protection. A ban on EPS for these products could result in increased environmental impacts from damaged products.

To this point, the Oregon Department of Environmental Quality (DEQ)<sup>1</sup> has stated "packaging serves several essential roles, including protecting products from damage. Taken to extremes, packaging waste prevention can lead to insufficient protection and product damage – and waste. Ideally, packaging waste prevention should reduce packaging waste without increasing waste (financial or environmental) elsewhere in the system."

We do believe there is an opportunity to strike the right balance, including identifying policies to ensure that transport and e-commerce packaging is managed appropriately. These policies could include establishing minimum recycling and recovery rate requirements such as requiring all e-commerce packaging to be recyclable or compostable by 2030; setting practical post-consumer recycled requirements to help develop domestic markets for these materials; implementing improvements to the state's recycling infrastructure, including expanding the network of consumer drop-off opportunities for these types of packaging materials; and maximizing the use of advanced recycling technologies so that even more material can be recovered and used as feedstock to make new products.

We certainly understand the role industry needs to play to reduce waste and increase the recycling and recovery of the packaging materials we put into the marketplace. The policy concepts mentioned earlier can be crafted and implemented in a collaborative manner with industry at the table, rather than imposing a one-size fits all prohibition that may actually increase waste and negatively impact California-based employers and workers that manufacture and use these products.

Though we cannot support AB 1371 as drafted, we welcome the opportunity to work with the Legislature and other stakeholders to craft a workable policy. Thank you for the opportunity to share these comments. Should you have any questions, please contact either Adam Regele with the California Chamber of Commerce at 916-531-9495; adam.regele@calchamber.com or Dawn Koepke with McHugh Koepke and Associates at 916-606-5309; or dkoepke@mchughgr.com

Sincerely,

Adam J. Regele

California Chamber of Commerce

Dawn Koepke

California Manufacturers & Technology Association

On behalf of the following organizations:

American Chemistry Council (Tim Shestek)

American Institute for Packaging and the Environment (Lauren Aguilar)

California League of Food Producers (Trudi Hughes)

California Retailers Association (Steve McCarthy)

Consumer Technology Association (Katie Reilly)

California Trucking Association (Chris Shimoda)

Flexible Packaging Association (Lauren Aguilar)

Internet Association (Dylan Hoffman)

<sup>&</sup>lt;sup>1</sup> State of Oregon: Production and Design - Packaging

Plastics Industry Association (Shannon Crawford) TechNet (Cameron Demetre) Western Plastics Association (Laurie Hansen)

cc: Chair and Members of the Assembly Committee on Natural Resources Legislative Affairs, Office of the Governor