

Testimony before the Committee on Environment and Natural Resources Peter Blair Conservation Law Foundation April 26, 2021

RE: Testimony in Support of LD 1467, An Act to Promote a Circular Economy through Increased Post-Consumer Recycled Plastic Content in Plastic Beverage Containers.

Good morning Senator Brenner, Representative Tucker, and members of the Environment and Natural Resources Committee.

My name is Peter Blair, and I am a Staff Attorney with Conservation Law Foundation's Zero Waste Project. CLF's Zero Waste Project works to address unsustainable and polluting waste management practices and promote proven waste management solutions like source reduction, reuse, recycling, and composting, as set forth in Maine's solid waste hierarchy.¹

Conservation Law Foundation strongly supports LD 1467. If enacted, this legislation will help develop a circular economy that sees plastic containers recycled in a manner that achieves the highest and best use of this material.

Maine, like much of the rest of the country is struggling to meet its recycling goals. Over three decades ago, Maine committed to recycling 50% of its municipal solid waste by 2021.² Unfortunately, this goal has not been reached. In fact, we are losing ground. According to the Department of Environmental Protection, solid waste generation and disposal is increasing while recycling is decreasing. Between 2017 and 2019 the amount of trash Maine landfilled or incinerated increased by roughly 125,000 tons.³ Meanwhile, the average recycling rate for the same period hovered around 36%, falling from a previous high of 39%.⁴

Maine has one of the most expansive Bottle Bill programs in the country. This program captures 91% of all containers sold in the state and has a redemption rate of 84%.⁵ However, the lack of demand for recycled material has hurt the effectiveness of the program. In most cases, the key variable that determines the amount of recycled material used in production of a new product is price. Currently,

¹ 38 M.R.S.A. § 2101.

² 38 M.R.S.A. § 2132(1).

³ Department of Environmental Protection, *Maine Solid Waste Generation and Disposal Capacity Report for Calendar Years 2018 & 2019*, p. 2. (January 2021). Available at https://www.nrcm.org/wp-content/uploads/2021/02/DEPwastereport2021.pdf

⁴ Id.

⁵ Container Recycling Institute, *Redemption Rates and Other Features of the 10 U.S. State Deposit Programs.* (2021). Available at https://www.bottlebill.org/images/PDF/BottleBill10states_Summary41321.pdf

prices favor using virgin materials over recycled material. This is especially true for plastics. Falling oil and natural gas prices keep the cost of manufacturing virgin materials lower than the cost of incorporating recycled material. Without recycled content requirements, there is simply not enough of an incentive for producers to use recycled material. This is why the involuntary targets set by manufacturers have never been successful. In fact, we are seeing the impacts of this lack of incentive now. As of the end of 2019, over \$200 billion was invested into 333 new chemical and plastic manufacturing projects.⁶

Recycled content requirements address the price disparity by creating the demand necessary to develop strong end markets for recycled plastic material, regardless of the competing prices of virgin feedstocks. This approach will overcome the economic incentive producers have to continue to create products from virgin plastic materials that pollute our air, water, and climate throughout every step of the production process. According to the Association of Plastics Recyclers, using recycled PET plastic to make new containers instead of new virgin PET plastic cuts carbon pollution by 67%.⁷

Additionally, mandating recycled content standards for beverage containers will make Maine's recycling system more resilient to market fluctuations, while allowing for growth of recycling infrastructure and markets in a more sustainable manner. Absent a recycled content requirement, Maine will likely continue to face disruption that limits the growth of recycling systems for the foreseeable future.

The processing facilities needed to achieve the targets set in LD 1467 already exist. Roughly half of the 24 recycled PET processing facilities in North America are currently capable of producing the food-grade post-consumer recycled plastic needed to comply with LD 1467. This includes facilities close to Maine in New York, Quebec, and Pennsylvania. Imposing a recycled content requirement would incentivize other processing facilities to modernize their operations to produce food-grade quality recycled material and may help spur investment into processing facilities here in Maine.

Maine would not be alone in setting this standard. In 2020, California became the first state in the U.S. to set recycled content requirements for beverage containers. Currently, Washington and New Jersey are considering similar legislation. California's law, and Washington and New Jersey's proposals all set higher and more aggressive recycled content requirements. Each sets the maximum standard at 50%, rather than the 30% rate set by LD 1467.

The recycling industry needs minimum recycled content requirements to balance the supply with demand so that Maine can work toward achieving it's 50% recycling goal. LD 1467 provides an effective and targeted solution that will reduce pollution, support the state's Bottle Bill program, and encourage a strong and resilient recycling system here in Maine. Thank you for your time and consideration of this testimony. I am happy to answer any questions you may have.

⁶ Renee Cho, *More Plastic is On the Way: What it Means for Climate Change,* Columbia Climate School. (February 20, 2020). Available at https://news.climate.columbia.edu/2020/02/20/plastic-production-climate-change/

⁷ Association of Plastic Recyclers, *Life Cycle impacts for Postconsumer Recycled Resins: PET, HDPE and PP.* (December 2018). Available at https://plasticsrecycling.org/images/library/2018-APR-LCI-report.pdf