



The Scotts Miracle-Gro Company

Testimony in Support

LD 1471, An Act To Establish a Stewardship Program for Packaging

Testimony in Opposition

LD 1541, An Act To Support and Improve Municipal Recycling Programs and Save Taxpayer Money

Chair Brenner, Chair Tucker, and members of the Environment and Natural Resources Committee.

This letter serves as Scotts Miracle-Gro's (Scotts) written testimony in support of LD 1471 An Act To Establish a Stewardship Program for Packaging and in opposition to LD 1541, An Act To Support and Improve Municipal Recycling Programs and Save Taxpayer Money.

ScottsMiracle-Gro is the world leader in the consumer lawn and garden industry. Established in 1868 in Marysville, Ohio, the Scotts name is synonymous with Americans' love for their lawns and gardens. Scotts pioneered grass seed and fertilizer applications in the United States, and we continue to be headquartered in the same town of Marysville, Ohio, in which we were established over 150 years ago. ScottsMiracle-Gro is also a leader in the evolution and emergence of indoor gardening through our subsidiary, The Hawthorne Gardening Company.

With approximately 6,000 associates at more than 65 U.S. locations including our growing media facility in Medway where we make soils and mulches for the consumer market, Scotts has small and large manufacturing plants in the heart of America. At these locations, the subsidiaries of ScottsMiracle-Gro, including Hawthorne, manufacture products by American workers for American consumers.

Scotts is a strong proponent of recycling and improving the sustainability of our packaging. To reduce the environmental impact of packaging, we have delivered and continue to drive multiple sustainable packaging initiatives, including the following:

Redesigning packaging. During the past few years, we've completed numerous package redesign initiatives which resulted in significant material reduction. We are exploring ways to significantly reduce the size and weight of packages, such as selling more products in concentrated form. We continue to expand package refill offerings, which also reduces the amount of packaging produced.

Increasing recycled content. We continue to increase the amount of recycled material in plastic packaging, which significantly reduces petrochemical use and emissions. We have several initiatives underway to test and qualify the maximum possible recycled content for flexible packaging, including bags and pouches. our goal is to triple the amount of recycled content in plastic packaging by 2025.

Supporting recyclability. We're increasing the amount of our packaging which is recyclable, reusable or compostable. For some packages we are transitioning to materials which are more compatible with today's recycling infrastructure. We have begun to utilize the standardized labeling system how2recycle®

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on our products to clearly communicate recycling and proper disposal instructions to the public. We plan to incorporate this standard into all our packaging which is not subject to other recycling communication standards required by specific environmental regulations.

Sustainable material sourcing. The majority of our paper fiber-based packaging is certified sustainably sourced by the Sustainable Forestry initiative (SFi) or Forest Stewardship Council (FSC), and we are striving to increase this to 100%.

We continue to prioritize consumer and environmental safety as we explore changes to product packaging and support new product innovation. We are focused on supporting major market trends, such as the shift toward direct-to-consumer delivery, while doing our part to address some of the unique sustainability challenges it brings.

Plans to increase the amount of PCR plastic in a significant portion of our bottles to 50%

Scotts appreciates this committee's commitment to encouraging recycling and understands the significant challenges of the current packaging waste situation on a national scale. We believe the approach taken in LD 1471 is a superior vehicle to achieve those goals.

First, LD 1471 recognizes which types of packaging are readily recyclable and which are not. LD 1471 would exempt packaging that is regulated by the U.S Federal Insecticide, Fungicide and Rodenticide Act as well as packaging that by the expected use by the consumer renders it unsafe to recycle. LD 1541 does not recognize this important distinction. In addition, LD 1471 would task the stewardship organization with engaging in a statewide needs assessment. This assessment would determine needs, capacity and funding requirements for the collection, transportation and processing of recyclable and compostable material in Maine. LD 1541 does not include this important needs assessment. The packaging stewardship organization acts merely as a conduit for payments to municipalities.

LD 1471 would establish a cooperative effort to institute a recycling system that works best for Maine residents. Maine, LD 1541 would put the regulatory burden on DEP without the collaboration from stakeholders. Maine, like most states, has suffered from the decline in available markets for purchasing recycled products. That market collapse combined with the inefficiencies in Maine's outdated and cumbersome recycling and disposal process, different in each municipality, has led to a low rate of recycling amongst consumers and high costs for municipalities. Scotts appreciates that this presents a challenge to Maine communities. However, the approach outlined in LD 1541 is not the best way to mitigate these issues.

Unfortunately, apart from collecting large sums of money from producers (which will inevitably be passed on to Maine consumers), this bill does little to change the reality that Maine's recycling and reuse infrastructure is costly and inefficient. Also, it will do little to incentivize the creation of new markets for recyclables or improve consumer education on effective recycling practices.

By proposing to merely reimburse municipalities for operations of their existing recycling infrastructure, this bill will do little to effectuate the goal of more packaging material being successfully recycled. Municipalities will still be on their own in finding a market to purchase the recyclable goods and individual Mainers will have no added incentive or deterrent to properly sort their waste into recyclable and landfill-only containers.

Further, LD 1541 has the potential to *increase* inefficiencies in Maine's recycling system. The bill proposes to allow producers to offset their payment obligation under the program by establishing their own collection program. This sets up a system whereby producers engaged in an alternative collection program will establish one method of collection, while municipalities will continue with their current method of collection. In addition to establishing two redundant and expensive collection systems, this will doubtless lead to confusion for both producers and consumers.

The inevitable result of this proposed legislation will be a more costly, inefficient, and burdensome system that drives up consumer costs but does little to improve Maine's recycling infrastructure, encourage

individual consumers to recycle or guarantee that packaging material is ultimately being recycled and reused for another purpose. Worse, the proposal will do nothing to impact the primary driver of the problem, consumer behavior. As consumers continue to purchase more and more goods online and have them shipped to their home – everything from paper goods to furniture to groceries and more – packaging for shipping these products will continue to grow exponentially.

As an alternative to the state-based band-aid approach to packaging materials management, we could support national legislation which would ensure consistency across all states, reduce consumer confusion, program complexity, and ensure maximum efficiency across all businesses involved. This approach would provide the best chance of success in directly addressing the challenging societal problem of managing packaging waste.

For these reasons, The Scotts Miracle-Gro Company encourages the committee to support the preferable provisions of LD 1471 and vote an Ought to Pass recommendation. Conversely, we ask the committee to vote Ought Not to Pass on LD 1541. We appreciate the opportunity to submit these comments.

Sincerely,



Robert Luria

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