

Testimony in OPPOSITION
to
Senate Bills 582-1
in
Oregon Senate Committee on Energy and Environmental
on
April 8, 2021

The Flexible Packaging Association (FPA) is once again submitting testimony in opposition to SB582-1, as amended, having to do with extended producer responsibility programs for packaging and paper.

I am Alison Keane, President and CEO of FPA, which represents flexible packaging manufacturers and suppliers to the industry in the U.S. Flexible packaging represents \$33.6 billion in annual sales; is the second largest, and fastest growing segment of the packaging industry; and employs approximately 80,000 workers in the United States. Flexible packaging is produced from paper, plastic, film, aluminum foil, or any combination of these materials, and includes bags, pouches, labels, liners, wraps, rollstock, and other flexible products.

These are products that you and I use every day – including hermetically sealed food and beverage products such as cereal, bread, frozen meals, infant formula, and juice; as well as sterile health and beauty items and pharmaceuticals, such as aspirin, shampoo, feminine hygiene products, and disinfecting wipes. Even packaging for pet food uses flexible packaging to deliver fresh and healthy meals to a variety of animals. Flexible packaging is also used for medical device packaging to ensure that the products packaged, diagnostic tests, IV solutions and sets, syringes, catheters, intubation tubes, isolation gowns, and other personal protective equipment maintain their sterility and efficacy at the time of use. Trash and medical waste receptacles use can liners to manage business, institutional, medical, and household waste. Carry-out and take-out food containers and e-commerce delivery, which are increasingly important during this national emergency, are also heavily supported by the flexible packaging industry.

Thus, FPA and its members are particularly interested in solving the plastic pollution issue and increasing the recycling of solid waste from all packaging. Flexible packaging is in a unique situation as it is one of the most environmentally sustainable packaging types from a water and energy consumption, product-to-package ratio, transportation efficiency, food waste, and greenhouse gas emissions reduction standpoint, but circularity options are limited. There is no single solution that can be applied to all communities when it comes to the best way to collect, sort, and process flexible packaging waste. Viability is influenced by existing equipment and infrastructure; material collection methods and rates; volume and mix; and demand for the recovered material. Single material flexible packaging, which is approximately half of the flexible packaging waste generated, can be mechanically recycled through store drop-off programs, however, end-markets are scarce. The other half can be used to generate new feedstock, whether through pyrolysis, gasification, or fuel blending, but again, if there are no end markets for the product, these efforts will be stranded.

Developing end-of-life solutions for flexible packaging is a work in progress and FPA is partnering with other manufacturers, recyclers, retailers, waste management companies, brand owners, and other organizations to continue making strides toward total packaging recovery. Some examples include The Recycling Partnership; the Materials Recovery for the Future (MRFF) project; the Hefty® EnergyBag® Program; and the University of Florida's Advanced Recycling Program. All of these programs seek to increase the collection and recycling of flexible packaging and increasing the recycled content of new products that will not only create markets for the products but will serve as a policy driver for the creation of new collection, sortation, and processing infrastructure for the valuable materials that make up flexible packaging.

FPA believes that a suite of options is needed to address the lack of infrastructure for non-readily recyclable packaging materials, and promotion and support of market development for recycled products is an important lever to build that infrastructure. We also believe that EPR can be used to promote this needed shift in recycling in the U.S. In fact, FPA worked with the Product Stewardship Institute (PSI) and have jointly drafted a set of principles to guide EPR for flexible packaging (<https://www.flexpack.org/end-of-packaging-life>). Oregon was part of this dialogue, which looked at the problems and opportunities for EPR to address the needs of the flexible packaging industry to reach full circularity for over a year. It is with this background that FPA

once again opposes SB582-1 even as again amended. We appreciate the sponsor's help with the current amendments, but they simply do not go far enough to bring the bill in-line with a true EPR system. A real EPR bill would provide for packaging circularity, by providing for the improvement of collection and infrastructure investment and development of advanced recycling systems to allow for collection and recycling to a broader array of today's packaging materials, including flexible packaging; as well as quality sorting and markets for currently difficult-to-recycle materials. SB582-1 appears to give only lip-service to this notion and instead provides for funding to stabilize the current system in Oregon, which does nothing to advance more or new recycling. In addition, it is so prescriptive, with Department of Environmental Quality (DEQ) or the Environmental Quality Commission (EQC) dictating most of the terms of the program, that it provides no authority nor incentive for the PRO to do so either. The bill is overly complex and too specific to the current infrastructure in Oregon to be used for a model for the rest of the country – a true EPR program would allow the PRO to assess the current infrastructure in the state and then dictates its own terms and path forward to not only stabilize the current infrastructure but to build a better system to handle more packaging, establish more end-markets, and address the future of packaging as well. As written, SB582-1 gives the PRO all of the responsibility and none of the authority, which is a recipe for failure. The amount of amendments to the bill and its vast complexity, which includes numerous rulemakings for the DEQ and the advisory committee with EQC, is further evidence that it is not the right bill for the job, particularly as one of the first of its kind in the nation.

For these reasons, FPA opposes the SB582-1 and urges the Committee to vote no. Instead, FPA stands ready to continue to assist in amending the bill or starting fresh, so that any legislation comports with the PSI/FPA elements and supports a meaningful EPR program for all packaging and could be used as a model for the Country. In advance, thank you for your consideration. If we can provide further information or answer any questions, please do not hesitate to contact me at 410-694-0800 or akeane@flexpack.org