



January 31, 2019

Senator Reuven Carlyle, Chair
Senate Committee on Environment, Energy & Technology
233 John A. Cherberg Building
PO Box 40436
Olympia, WA 98504

Dear Chairman Carlyle and Members of the Committee:

Thank you for the opportunity to provide written testimony to the Senate Committee on Environment, Energy & Technology **in support of Senate Bill 5397**, *Concerning the responsible management of plastic packaging*.

The Product Stewardship Institute (PSI) is a national nonprofit organization committed to reducing the health, safety, and environmental impacts of consumer products with a strong focus on sustainable end-of-life management. Based on two decades of rigorous research, we believe that manufacturers have a responsibility to internalize the costs of safely managing, reusing, and recycling the products they create. When manufacturers assume this responsibility, the result is reduced waste, lower environmental impacts, reduced costs for governments and taxpayers, and job creation. With members from 47 state environmental agencies and hundreds of local governments, as well as 120 corporate, academic, non-U.S. government, and organizational partners, we work to promote product stewardship initiatives across North America.

PSI applauds the Committee's attention to plastic packaging and its recognition of the need for policies to reduce and manage this material stream appropriately. In particular, we support the establishment of an extended producer responsibility (EPR) program, as proposed in SB 5397. Similar programs have been operating with great success in many areas of the world for more than 30 years, including Belgium, which has achieved an 80 percent recycling rate for packaging, and in British Columbia, which has achieved a 75 percent recovery rate. Well-designed packaging EPR programs provide for better coordination between producers and recyclers, improve the recyclability of packaging, and ultimately improve the supply (the amount, quality, and reliability) of feedstock for recycled content materials.

While the U.S. is currently the only member nation of the Organization for Economic Cooperation and Development that does *not* have an industry-financed packaging stewardship program, EPR legislation for packaging has been introduced or is in development in several states in the U.S. this year.

The need for a new approach has never been clearer. With commodity prices at all-time lows due to the loss of export markets, local governments are struggling to maintain recycling programs. Communities in Washington have stockpiled materials as they wait to find suitable markets and struggle with contamination resulting from consumers' confusion over complex plastic packaging and varied recycling program guidelines.

While the need for change has become front-page news in recent months, the problems with the system are longstanding and fundamental. A cross-section of stakeholders, including thousands of our local and state government members across the country, agree that the current recycling system is deeply flawed in a number of important ways:

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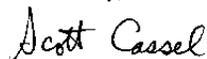
- **Inefficient and fragmented:** Current recycling programs are disorganized and ineffective. Adjacent municipalities often collect different materials, have different contracts, and communicate different messages to their residents. Moreover, products consumed away from home present particular challenges for packaging due to a lack of sufficient “away from home” recycling options.
- **Inconsistent:** Municipal recycling budgets vary greatly from year to year, as recycling competes for funding with other important public services, such as fire, police, and schools. Constant budget constraints make municipal recycling programs unreliable suppliers for producers of recycled content goods. Additionally, annual budget cycles often don’t allow governments to enter into long-term contracts that can stabilize the markets for recycled materials. Finally, the value of recycled materials that government officials manage changes constantly, as manufacturers vary their product designs.
- **Inadequate:** The current waste management and recycling system is not sustainable. Nationally, recycling programs have stagnated: in the past decade, recycling has increased, on average, only one percentage point per year. Governments are financially unable to invest in collection and recycling infrastructure needed to process additional materials.

These problems cannot be solved with the current system. Industry-backed recommendations to address today's crisis, such as increased education or additional enforcement, will not bring about significant change and would burden local governments even more. Other strategies, including voluntary product stewardship efforts, effect small, incremental changes in attempts to optimize the current system. While all these efforts are important, they need to be a complement to an industry-funded system. EPR is the only large-scale solution that takes an entirely different approach to create a much-needed, significant transformation in the entire system.

Finally, under the current system, producers are unfairly burdening communities with increasingly costly waste. The costs of managing the waste from ever-more complex plastic packaging has been externalized to communities, which are expected to invest in new infrastructure. There is neither a direct cost nor an incentive for producers to change their practices. Government officials believe that funding must come from companies that benefit from the materials collected, from those whose packaging results in billions of dollars of municipal waste management costs, and from those that make the design choices regarding what materials to use for packaging – the producers.

While we support 5397, the Committee may also wish to consider expanding the scope of covered materials to include all packaging and printed paper. Plastic has been an especially important issue due to the contamination it can cause in other recycling streams, the difficulty in recycling certain plastics, rising costs to municipalities to invest in new technologies, and impacts on waterways from litter. Other materials, however, such as paper packaging, corrugated cardboard, and steel cans, make up a significant portion of the waste stream and are problematic for many of the same reasons as outlined above.

Sincerely,



Scott Cassel

Chief Executive Officer / Founder