



October 24, 2023

**Testimony of Consumer Brands Association
Joint Hearing on Packaging Reduction
Before The New York State Senate Standing Committee on
Environmental Conservation and
The New York State Assembly Standing Committee on
Environmental Conservation**

Chair Harekham, Chair Glick:

Thank you Chairs and Committee members for this opportunity to share our thoughts on packaging reduction in the State of New York and nationally. We appreciate this forum and the willingness of the committees to take on this subject matter even as the consumer packaged goods industry works to address the opportunities and responsibilities inherent in the field of sustainability. Consumer Brands has been closely engaged on this issue in a variety of states across the country and looks forward to continued engagement here in New York, particularly on the specifics of Extended Producer Responsibility.

The Consumer Brands Association (CBA) represents the world's leading consumer packaged goods (CPG) companies. The CPG industry plays a unique role as the single largest U.S. manufacturing employment sector, delivering products vital to the wellbeing of people's lives every day. Consumer Brands' mission is to empower the industry to grow and thrive. In the State of New York, the CPG industry contributes \$113.3 billion to GDP, \$64.8 billion in labor income and supports 984,000 jobs.

Consumer Brands remains supportive of comprehensive, well-designed extended producer responsibility for consumer goods packaging, and we continue to offer our perspective and expertise to the committees, the Hochul Administration and the New York State Department of Environmental Conservation as the process continues to move forward. We believe now is the time to reassess what has been learned over the last few years, both here in New York and through the policy processes in the four states that have approved EPR plans and other states that have considered plans and have deferred to needs assessment processes and inventories of their infrastructure capabilities.

Consumer Brands believes the following foundational elements should be considered in a new packaging EPR program:

1. **Promote Uniformity:** Standardize recycling programs across a state, region, or nationally.
2. **Fix the System:** Improve the underlying recycling system to deliver strong environmental outcomes, not simply layer additional funds on to an existing system.

3. Base it on Data: Be based on accurate data and science, including a needs assessment, with clear financial and performance targets over a specified period of time.
4. Embrace PRO: Allow for an industry funded and run producer responsibility organization (PRO) to assess fees on packaging and determine where/how those funds are spent and manage the system, if applicable.
5. Funds Only Recycling: Dedicate new funds raised for recycling improvements solely to recycling, not to government general funds or unnecessary administrative costs.
6. Bring Everyone to the Table: Develop a system from a wide array of stakeholders, including state, local, and federal government, packaging suppliers, the consumer goods industry, and the waste and recycling industry.
7. Source Variety of Funding: Include more than one source of funding, which should be additive and target specific challenges in the recycling value chain. No single funding source should replace or supplant other funding sources.
8. Account for Materials: Apply to and account for a range of material types in the waste stream.

Consumer Brands and our members seeks, we are sure, along with the chairs and the members of these committees, a legislative strategy that would revolutionize the solid waste and recycling economy of the state which includes engagement in a robust stakeholder process and a complimentary fact-finding process. Consumer Brands, our members, and a broad coalition of businesses and industries, both in-state and national, have worked with the legislature, the Hochul Administration, and the Department of Environmental Conservation over the past several sessions and we offer now the benefit of the consumer packaged goods industry's perspective. Consumer Brands and many coalition partners have worked for several years to fashion an extended producer responsibility plan for consumer goods packaging and had even arrived at a position of support for the concept advanced in the previous legislature by then-Senate Environmental Conservation Committee Chairman Kaminsky and have found many elements of the governor's 2023 budget proposal encouraging.

The CPG industry is concerned that the process not create a model to encourage and stimulate recycling which could instead lead to even more landfilling of solid waste. Allowing disposal costs to be paid by producers while also mandating increased recycling rates will likely only create more incentive for municipalities to take the path of least resistance to the management of solid waste. No jurisdiction in the world of which we are aware subsidizes the landfilling of packaging materials through EPR and while this certainly is not anyone's intent, only cooperation and an open stakeholder process can head off such an unintended consequence.

We must work together to make sure whatever model works for New York is not out of step with the models of the four states that have already passed packaging EPR. At the very least we need to design a model that will serve as stepping stone to a regional design that can seamlessly be applied in surrounding states. Perhaps the legislation should even call for a

regional approach, requiring a minimum number of northeast states and contiguous states to initiate legislation before moving toward implementation. Such a proposal could even create a regional board to design a comprehensive plan and create economies of scale for smaller states throughout the northeast and New England. This kind of leadership model could set a standard for large-scale problem-solving and lead to a hastening of such comprehensive policy initiatives. Furthermore, we must be cautious that we not create a model that might inadvertently set unachievable recycling and source reduction goals, or possibly create material bans that might eliminate certain packaging technologies, or create data burdens that could be unachievable in our twenty-first century integrated economy. The result of such over-reaches could be increased cost to consumers and quite possibly an increase in food waste and therefore even the possible increase in greenhouse gas emissions.

All of this could be avoided with a true stakeholder process which integrates the experience and ideas of legislative and regulatory policy makers, academia, the NGO community, industry, and consumers. Such a process has already been initiated and should be given time to work. In April of this year, the New York State Department of Environmental Conservation entered a Memorandum of Understanding with the Center for Sustainable Materials Management (CSMM) at the SUNY College of Environmental Science and Forestry (ESF) in partnership with private company Resource Recycling Systems (RRS), to conduct a statewide “needs assessment and gap analysis for New York’s recycling system.” According to CSMM, this study will “compile data on how the recycling system in the state operates, including the amount and types of material collected, hauling and sorting infrastructure, and required operational and capital investment needs.” CSMM calls this information gathering its initial phase. Consumer Brands has already reached out to CSMM and offered our assistance in an effort to gain the best possible perspective of New York’s recycling needs and to complete a real needs assessment.

To conclude, we envision a process moving forward from today which might ensure maximum benefit to the environment, consumers, taxpayers, and the State of New York. We simply believe that through the leadership of these committees, the administration, the DEC and the stakeholders present or represented here, a true model for packaging sustainability could be created.

If you have any questions or need further information, please feel free to reach out to myself or to CBA’s government affairs representatives at Park Strategies, LLC: Nick Barrella, Senior Advisor, nbarrella@parkstrategies.com; Kevin Bronner, Managing Director, kbronner@parkstrategies.com; and, Tom Buchan, tbuchan@parkstrategies.com: (518) 426-3800.

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