

New York State Senate Environmental Conservation Committee and Assembly Environmental Conservation Committee Joint Senate and Assembly Hearing on Recycling Senate Hearing Room 250 Broadway, 19th Floor Manhattan

Monday October 21, 2019 11:00 a.m.

Thank you, Chairman Kaminsky and Chairman Englebright, for the opportunity to submit testimony to this Joint Senate and Assembly Environmental Conservation Committee Hearing on Recycling.

The Grocery Manufacturers Association (GMA) 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. GMA's mission is to empower the industry to grow and thrive.

GMA fully supports the objectives of this hearing and agrees with the Senate and Assembly Environmental Conservation Committees that "recycling is a fundamental component of New York State's vision of a vibrant, innovative, and sustainable economy." We also agree that recycling rates in New York State and nationwide are far too low, that we are sending too much valuable packaging to landfill and that this gap presents an opportunity to rethink and reenvision the recycling system for the 21st Century.

Industry is committed to packaging sustainability

The consumer packaged goods industry is committed to packaging sustainability. Through packaging design, innovation, and research and development, CPG companies are leading the way in reducing waste-to-landfill and improving the environmental footprint of packaging. In fact, all of the 25-largest CPG companies have made voluntary public commitments to recyclable or compostable packaging or to using increased recycled content by 2030, some as early as 2025. From shampoo bottles made from ocean plastic to toothpaste tubes made from paperboard, this sector is dedicated to innovative solutions that minimize packaging waste.

In addition to recyclability and recycled content efforts, the CPG industry is also leading the way in reusable packaging. Terracycle's Loop program, for example, allows consumers to purchase everyday household products like ice cream and laundry detergent from brands they know and trust in new, refillable packaging. Loop operates on the "milkman model" of delivery: a container is used at home, sent back empty and returned to the consumer full. This cycle can continue nearly in perpetuity, preventing the need for single-use packaging for those products entirely.

The founding partners of Loop are some of the best-known CPG companies in the world, demonstrating this sector's commitment to a range of solutions to packaging waste and a complete reimagining of packaging away from single-use.

A patchwork of systems is causing confusion and hindering progress

Despite all these efforts to improve packaging, especially around recyclability, recycling rates in the U.S. are disappointingly low, hovering at about 34 percent in the United States, as the Joint Committees referenced in the reason for this hearing. The impact of China's National Sword program, which upended the global market for recycled materials, cannot be ignored. The broken recycling system in the U.S. presents an opportunity to create a system with lasting positive impact. We can build a robust domestic market for packaging material and recycling. That domestic market is critical to driving up recycling rates, a goal the CPG industry shares with government, NGOs and consumers, since recycling is necessary to create a reliable, cost-effective supply of recycled content that can be put back into packaging.

Consumers want to recycle but find the patchwork of thousands of systems in the U.S. to be hopelessly confusing. A recent GMA study found that Americans think doing their taxes or assembling Ikea furniture is easier than understanding their recycling program¹. New York State, like the rest of the U.S., has a patchwork of systems with confusing sets of rules. A pizza box can be recycled in Buffalo² and Rochester³, but not in Albany⁴ or Auburn⁵. In Amherst⁶, clear glass can go in the recycle bin, but not colored glass. In Cooperstown⁷ you can recycle a plastic bucket that is one to five gallons but not a plastic barrel that is one to five gallons. New Yorkers want to recycle, but how can they do so properly with such confusing and diverse sets of rules?

As a result of their confusion, consumers either "wish-cycle" by putting packaging in their bin that they hope can be recycled, causing contamination, or they simply do not participate. Syracuse⁸ sees 400 tons of non-recyclables in recycling bins each year, for example. Neither of these outcomes is acceptable and we must work together to implement best practices to help consumers recycle and recycle correctly.

Circular economy requires shared responsibility

The challenges facing our recycling system and the consequences of packaging waste are serious, but they are also solvable. However, they cannot be solved by any one stakeholder

¹ Reduce. Reuse. Confuse. How Best Intentions Have Led to Confusion, Contamination, and Broken Recycling System in America: <u>https://www.gmaonline.org/file-manager/Reduce_Reuse_Confuse_4_11.pdf</u>

² City of Buffalo Recycling Guide: <u>https://buffalorecycles.org/wp-content/uploads/2015/08/CoB-Web-PDF-Recycle-Material.pdf</u>

³ City of Rochester, Recyclable Materials: <u>https://buffalorecycles.org/wp-content/uploads/2015/08/CoB-Web-PDF-Recycle-Material.pdf</u>

⁴ City of Albany Waste Collection & Recycling Program:

https://www.albanyny.gov/Files/Single%20Stream%20Recycling.pdf

⁵ Auburn, An Update if the Municipal Solid Waste Program, Streamline Update: https://www.auburnny.gov/sites/auburnny/files/uploads/streamlinejuly2019web.pdf

⁶ Amherst Limits Recycling Due to Falling Prices, WIVB: <u>https://www.wivb.com/news/amherst-limits-recycling-due-to-falling-prices/</u>

⁷ Ostego County Conservation Association, Recycling Information:

https://www.otsegocounty.com/departments/solid waste/how do i get rid of .php

⁸ Are You Recycling in Onondaga County? You Might Be Doing it Wrong, Syracuse.com:

https://www.syracuse.com/news/2019/04/are-you-recycling-in-onondaga-county-you-might-be-doing-it-wrong.html

alone. The circular economy model relies on each stakeholder to do their part. The CPG industry can control and influence packaging design, making it more recyclable, compostable, made of innovative materials or reusable. If we are to make real, lasting progress on reducing packaging waste to landfill though, all stakeholders must participate and collaborate in building a system that works. Regulatory schemes like extended producer responsibility (EPR) put all of the responsibility on a single player, the consumer goods industry, without fixing the underlying system. Rather, we should be working collaboratively with every stakeholder toward the common goal of higher recycling rates, which can be achieved through improved infrastructure, sustainable financing models, more consumer participation and resilient and reliable end-markets for recycled material.

Thank you for the opportunity to testify today. GMA is committed to working with the legislature to bring about real and lasting solutions to the recycling crisis.

Respectfully submitted,

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