

## Testimony of Consumer Brands Association MN HF 3577, "Packaging Waste and Cost Reduction Act" Minnesota House Committee on Commerce February 28, 2024

Thank you for the opportunity to submit testimony on HF 3577, which would establish an extended producer responsibility (EPR) program for consumer packaging in the State of Minnesota. The Consumer Brands Association must offer our respectful opposition to this legislation at this time, although we will continue to engage with the sponsor and the legislature to address Minnesota's recycling needs and to offer the knowledge, experience, and perspective of our industry in this effort. It is our goal to assist in the continued evolution of a packaging sustainability policy that brings maximum benefit to the consumers and taxpayers of the State of Minnesota. Consumer products companies are meeting consumer demands to make their packaging recyclable, reusable, or biodegradable. In addition to these packaging redesigns, we support investment in the development and enhancement of recycling systems to improve their capabilities and progress toward a circular economy.

The Consumer Brands Association represents the makers of America's household brands and products consumers enjoy and rely on every day. The consumer products industry plays a unique role as the single largest U.S. manufacturing employment sector, and just in the State of Minnesota, the industry contributes \$40.5 billion to GDP, \$27.3 billion in labor income, and supports 483,000 jobs.<sup>1</sup>

The evolution of the sustainability conversation in our country has moved increasingly toward product stewardship or extended producer responsibility discussions, and Consumer Brands has vigorously joined this process. We applaud Minnesota for ranking among the top recycling states in the US. The bold steps taken by the State of Minnesota have led to great strides in recycling, reuse, and reduction in carbon footprint. According to The Minnesota Pollution Control Agency, which delivers a comprehensive report to the legislature every four years, in 2022 Minnesota posted a "combined recycling rate of 45.2%, which is the highest rate in the history of the SCORE program." Our industry is proud to have contributed to this success.

The blueprint set forth in HF 3577, while far reaching, also seeks to create a bureaucracy and cost structure that is cumbersome and expensive. We applaud the aggressive and consistent needs assessment language in the bill and believe that an understanding of the requirements and capabilities of the existing structure should be reviewed and measured. Those measurements should be compared to existing industry practices and that study be used as the basis for further legislation. The needs assessment and continued evaluation of Minnesota's strong packaging sustainability record is the first step and Consumer Brands supports this intent as outlined in Section 11 of the bill. We further believe that this committee should seek to include in any needs assessment plan a cost estimate component. It will be instructive to both the legislature and industry if, in the course of assessing the existing state solid waste and recycling infrastructure and future requirements, the Department could also estimate the cost to industry, the state and the consumer and taxpayer.

Thank you for your attention and for this opportunity to comment. If there are any questions or if we can further assist you, please feel free to reach out to me at any time.

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<sup>&</sup>lt;sup>1</sup> Consumer Brands Association Economic Impact Report, Minnesota

