



February 22, 2021

To: The Honorable Lee Beyer, Chair  
Members, Senate Committee on Environment, Energy and Technology

From: Tim Shestek  
Senior Director, State Affairs

Re: **SB 14 – OPPOSE**

The American Chemistry Council (ACC) appreciates the opportunity to comment on SB 14, legislation that would establish a product stewardship program for plastic packaging and foodservice ware. While we support the intent of this proposal, we have several concerns with the legislation as drafted.

ACC recognizes that plastic waste is a global problem that requires everyone from plastic producers, product manufacturers, brands, retailers, recyclers and waste haulers, as well as communities, nonprofits and federal, state and local government to come together to create a more circular economy for plastics. This means more efficiently using plastics by keeping them in use for as long as possible, getting the most from them during use, and recovering them to make new products

In order to achieve these objectives, ACC recently announced goals that [100% of plastics packaging is recyclable or recoverable by 2030](#) and we continue to be engaged in developing policies and programs aimed at increasing the recovery of plastic packaging and developing new domestic markets for recycled materials. These efforts include building on recent domestic industry-announced investment of more than \$5 billion in traditional and advanced recycling; use recycled plastic as feedstock to produce new plastics and other products; improve plastic product design to increase recyclability; and develop plastics value chain financing for collecting and sorting various plastics packaging formats.

ACC is also a supporter of The Recycling Partnership's<sup>1</sup> "Circular Economy Accelerator"<sup>2</sup> a collective effort of more than 30 companies across the value chain to advocate for policy and legislative solutions that rapidly advance the circular economy. This policy includes a multi-material package fee and a disposal surcharge to help support recycling infrastructure investment and recycling operations.

ACC is concerned that the legislation as drafted falls short of a more comprehensive approach that may be needed. Creating a separate recycling system for one material does not take into account the need to address other segments of the packaging stream, or take into consideration potential environmental trade-offs.

Pursuant to legislation passed in Washington State, a 2020 study<sup>3</sup> commissioned to recommend policies to reduce waste and increase recycling from plastic packaging stated "the consultant team found policies focused exclusively on one material type would cause market distortions. Single material focused policies could also lead to unintended consequences due to packaging substitutions with materials whose impacts are unknown, poorly understood, or which have higher lifecycle impacts....Therefore, the recommendations were expanded to include consideration of all

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<sup>1</sup> <https://recyclingpartnership.org/>

<sup>2</sup> <https://recyclingpartnership.org/accelerator-policy/>

<sup>3</sup> <https://apps.ecology.wa.gov/publications/documents/2007028.pdf>



packaging to avoid unintended consequences and higher environmental impacts as a result of regulation and to gain economies of scale and operational efficiencies.” Many studies including from Oregon DEQ have found that alternatives to plastic packaging would significantly increase greenhouse gas emissions and other impacts<sup>4</sup>.

The Oregon Department of Environmental Quality (DEQ) has initiated discussions with stakeholders on a more comprehensive packaging recycling proposal. While many details are still being discussed, this framework, along with the work initiated by the Recycling Partnership serves as a more constructive forum for developing policy changes to the state’s recycling system that are practical, economically viable and include input from all stakeholders.

In addition to this foundational policy concern, ACC is also concerned there is no clear estimate on the potential costs to manufacturers, retailers and ultimately consumers to set up these separate systems, manage these programs, and comply with new reporting requirements. These costs are likely to be in the millions. Also, given the bill’s inclusion of foodservice ware, the state’s restaurant community, already decimated during the COVID pandemic, are likely to see higher operating costs, new regulatory requirements, and potentially lack of supply of appropriate packaging materials to serve their take-out customers.

Finally, SB 14 grants new authority to DEQ to impose fees on manufacturers but is vague on any specific dollar amounts or if there is any cap. The bill also delegates broad rulemaking authority to the Oregon Environmental Quality Commission (OEC) to determine the type of “plastics suitable for recycling collection in the state.” This effectively gives the OEC the ability to regulate any type of plastic packaging without any appropriate legislative oversight. Decisions by the OEC could have significant impacts on manufacturers, retailers, grocers, restaurants, agriculture, medical device companies, pharmaceutical makers, and others.

For these reasons, ACC is opposed to SB 14. If you have any questions, please contact me at 916-448-2581 or [tim\\_shestek@americanchemistry.com](mailto:tim_shestek@americanchemistry.com). You may also contact our Oregon based representative Matt Markee at 503-510-3371 or [matt@markee.org](mailto:matt@markee.org).

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<sup>4</sup> <https://www.oregon.gov/deq/FilterDocs/LifeCycleInventory.pdf>