

WISCONSIN LEGISLATIVE COUNCIL

SINGLE-USE PLASTICS

Room 411 South State Capitol

<u>August 24, 2010</u> <u>August 25, 2010</u> 11:00 a.m. – 4:00 p.m. 10:00 a.m. – 3:30 p.m.

[The following is a summary of the August 24-25, 2010 meeting of the Special Committee on Single-Use Plastics. The file copy of this summary has appended to it a copy of each document prepared for or submitted to the committee during the meeting. A digital recording of the meeting is available on our Web site at http://www.legis.state.wi.us/lc.]

Call to Order and Roll Call

Chair Black called the committee to order. The roll was called and a quorum was present.

COMMITTEE MEMBERS PRESENT: Rep. Spencer Black, Chair; Sen. Jim Holperin, Vice-Chair; Sen. Robert

Cowles; and Public Members Win Clemmons, George Dreckmann, Charles Evenhouse, John Kelly, Brian Lawless, Tim Metcalfe, Rick Meyers, John Reindl, Roger Springman, and Joe Van Rossum.

COUNCIL STAFF PRESENT: David L. Lovell, Senior Analyst; and Larry Konopacki, Staff Attorney.

APPEARANCES: Sen. Fred A. Risser and Rep. Marlin D. Schneider, Co-Chairs, Joint

Legislative Council; Terry C. Anderson, Director, Legislative Council; Cynthia Moore and Brad Wolbert, Department of Natural Resources (DNR); Ashley Carlson, American Chemistry Council; Anne Bedarf and Liz Schoch, GreenBlue, for the Sustainable Packaging Coalition; Roger Springman, Genesis Poly Recycling and committee member; Joe Van Rossum, Solid and Hazardous Waste Education Center (SHWEC), University of Wisconsin (UW)-Extension and committee member; David Cornell, Association of Post-Consumer Plastic Recyclers; Steve Brachman, SHWEC, UW-Extension; Scott Cassel, Product Stewardship

Institute; Ken Friesen, StewardEdge; and Sara Hartwell, U.S.

Environmental Protection Agency.

Opening Remarks

Senator Fred Risser and Representative Marlin Schneider, Co-Chairs, Joint Legislative Council, welcomed the members to the Special Committee and thanked them for serving. The Co-Chairs described the work of the Legislative Council and the special committees that it creates. Terry Anderson, Director, Legislative Council staff, went over administrative procedures relating to committee membership and explained the role of public members on the committee.

Representative Spencer Black, Chair of the Special Committee, thanked committee members for giving their time to serve. He explained that the August 24th and 25th meeting would largely consist of hearing from speakers who would provide background on plastic products, the state's solid waste and recycling systems, plastic packaging, plastic films, market development tools, and alternative funding mechanisms for waste management and recycling. Chair Black stated that he expects the second meeting of the Special Committee to be held sometime in mid-to-late October followed by meetings in November and December, which should wrap up the Special Committee's work. Chair Black also welcomed members to contact him or the Legislative Council staff members assigned to the committee with any questions, comments, or suggestions.

Introduction of Committee Members

Chair Black asked each committee member to introduce themselves and briefly comment on their interests in serving on the committee.

Solid Waste Disposal and Recycling in Wisconsin

Brad Wolbert and Cynthia Moore, DNR

Brad Wolbert, a hydrogeologist in the Waste & Materials Management Program at the DNR, provided the committee with information on solid waste in Wisconsin including disposal trends, import trends, and relative generation by different source categories. He also described the results of statewide waste composition studies conducted in 2002 and 2009, noting that plastics are one of only two waste categories showing an increase in landfill disposal over that time (along with organics), estimated the market value of landfilled products, and extrapolated the energy content of those items. Mr. Wolbert also provided a breakdown of the types of plastic products that are being landfilled.

Cynthia Moore, the DNR's Recycling Coordinator, gave the committee an overview of the state's recycling program. She described local government recycling programs and noted the high degree of variability in services provided that can be found between programs. She also explained the data sources and collection process and noted that we are seeing a plateau in collection. Finally, she provided estimates of recycling rates for recyclable products and pointed out gaps in recycling data that may hinder improvements in the system.

Plastic Packaging

Ashley Carlson, American Chemistry Council

Ashley Carlson of the American Chemistry Council (ACC) next addressed the committee to provide background about plastics. She listed the different types of commonly used plastic resins, their

characteristics, and their current uses. She shared information about the environmental benefits of plastics in transportation systems, product quality maintenance, and recyclability, and also noted other benefits of plastics. Ms. Carlson provided information about plastic manufacturing in Wisconsin, shared details of the ACC's programs to enhance plastics recycling, and offered the resources and expertise of the ACC to the committee as it undertakes its charge.

Anne Bedarf and Liz Schoch, GreenBlue, for the Sustainable Packaging Coalition

Anne Bedarf and Liz Schoch began their presentation with information about their organization, GreenBlue, which is a non-profit institute that works with the Sustainable Packaging Coalition (SPC). The SPC is an industry working group that includes businesses from across the packaging supply chain and that is working toward more sustainable packaging material and design choices and systems. The SPC defines sustainable packaging in a way that implicates human health and safety, package performance and cost, renewable energy, end of life recovery, and best management production practices.

Ms. Bedarf and Ms. Schoch described some of the methodology used by the SPC in evaluation of packaging alternatives, shared information on packaging trends in the United States, and explained a number of the advantages to businesses, the public, and the environment that can be realized when sustainable packaging options are implemented. They also noted that if producers are required to take on responsibility for end-of-life capture and management of packaging (see information on "Extended Producer Responsibility" below) then the legislation requiring this must provide a level playing field across material and packaging types and should provide flexibility for industry in deciding how to achieve clearly established targets. Ms. Bedarf and Ms. Schoch also explained that the SPC is working on recommendations for a more effective, harmonized, labeling system for packaging products to communicate needed information to consumers.

Plastic Films

Roger Springman, Genesis Poly Recycling and Committee Member

Mr. Springman provided the committee with a description of some of the obstacles to the efficient collection of large-volume films such as agricultural and horticultural films, from the prospective of a films recycler. He explained that the major barriers are cleaning film if it is dirty, densifying the film, and transporting the film to a recycler. Mr. Springman reported that there is a lot of interest in these sectors in securing a good recycling option instead of landfilling the plastic, burying or dumping the plastic on site, or burning the plastic. He noted that there are best practices that can be used to keep films as clean as possible and that there are new ways to do small scale densification that might become important parts of an effective recycling system for these products. He also suggested that the committee can look at examples of other agricultural industries in which packaging producers have implemented good stewardship practices, such as producers of pesticide containers.

Joe Van Rossum, Solid and Hazardous Waste Education Center (SHWEC), University of Wisconsin (UW)-Extension and Committee Member

Joe Van Rossum focused his remarks on the current obstacles to the recycling of plastic films, including that the current recycling infrastructure was designed for paper and containers, necessitating a labor-intensive sort process if films are to be included. He suggested that the committee focus its efforts with respect to films on maintenance of quality, collection, sorting, and marketing. Mr. Van Rossum

also talked about various options that can be used to prepare films for transport, and noted that collection of films is a challenge because of the lack of a centralized generator.

Recess

Chair Black recessed the committee for the day at 4:00 p.m.

Call to Order

Chair Black reconvened the meeting on Wednesday, August 25th at 10:00 a.m.

Recovery and Recycling of Plastics: Market Development

David Cornell, Association of Post-Consumer Plastic Recyclers

David Cornell talked to the committee about the chemistry, uses, and other characteristics of various types of plastics, provided information about export markets, and explained what types of plastics are used for various types of packaging. Mr. Cornell described the types of products that are made with each type of recycled plastic, and cautioned the committee to maintain market flexibility and not suppress free flow of recycled material to its more economic use.

Mr. Cornell noted that there has to be at least 300-400 million pounds of recognizable and sortable items produced annually for a resin type to support a recycling system. He explained that growth of plastics recycling depends on timely growth of supply, capacity to process, and markets. He cautioned the committee to be careful not to over-stimulate any one of these three areas. Mr. Cornell pointed out that the California Recycled Plastic Packaging Container law has been an effective market driver by creating critical demand. He also explained the limited effect of Wisconsin's plastic container recycled content law and what would have to be done to make it more effective.

Mr. Cornell also provided some suggestions to the committee about possible policy approaches to improve plastics recycling. He said that facilities need improved sorting capabilities, which the state could promote through research. He also said that a graduated, enforced, mandated post-consumer recycled content requirement would have positive effects and that extended producer responsibility would help to promote recycling supply and markets. He also noted that there is room for improvement in packaging design and better choices in resin combinations in individual products that could be made to foster more recycling.

Steve Brachman, SHWEC, UW-Extension

Steve Brachman provided the committee with an explanation of the history of state recycling market development efforts. Mr. Brachman calculates that approximately \$50 million was allocated to these efforts since 1990. Market development tools included waste reduction and recycling grants, the newspaper recycled content law, government recycled product procurement rules, recycled road reconstruction, and funding to the UW System for solid waste research and UW-Extension for education and technical assistance in market development. Over the years, other programs utilized grants or loans, technical assistance, rebates, and education. Mr. Brachman also described the history of the administration of market development programs in Wisconsin, and noted that increased tipping fees for landfill disposal may have spurred interest in additional recycling.

Joe Van Rossum, SHWEC, UW-Extension and Committee Member

Joe Van Rossum briefly explained some of the current efforts the state is undertaking to develop recycling markets. He pointed out that UW-Extension, the DNR, non-profits like WasteCap Resources, and others are involved in market development. Primarily, their task is to effectively connect generators with recyclers and help them to eliminate barriers to the efficient flow of recycled material between them. One tool that is a good resource in this regard is the Wisconsin Recycling Markets Directory. Market developers also seek to help business navigate regulatory systems and take advantage of all legal exemptions or other opportunities to minimize cost and complications. Mr. Van Rossum noted that there is currently no state appropriation for waste reduction demonstration grants. There is some funding in the UW System for solid waste research funding, but otherwise waste-related projects have to stand in line with other types of interests competing for more general funding sources. One possible growth area for recycling project funding is energy conservation/reduction funding.

Extended Producer Responsibility (EPR)

Scott Cassel, Product Stewardship Institute

Scott Cassel laid out the basic idea of extended producer responsibility, which is a system that primarily holds producers financially responsible for the health and environmental impacts of a product over its whole lifecycle. Mr. Cassel explained that an ideal EPR program would internalize whole lifecycle costs, would be established around clear performance goals, and would provide flexibility for producers in determining how to meet those goals. He spoke about some of the advantages of EPR to producers, the positive effects such a system has on product design decisions and recycling rates, and the ability of EPR systems to reduce the overall societal costs of waste management. Mr. Cassel also provided some projections about financial savings that could result from a nationwide EPR system, and pointed out some of the companies that are actively involved in EPR, both as a requirement and voluntarily.

Mr. Cassel gave an overview of state EPR laws and proposals, including Wisconsin's new electronics recycling law, and noted that an ideal EPR law from a legislative perspective would be "framework" legislation that would allow additional product types to be added as necessary without a separate legislative enactment for each product. Mr. Cassel noted that product stewardship for packaging could increase diversion rates, reduce waste generation, create a sustainable funding source, and eliminate the need for government funding systems for the end-of-life solutions for packaging materials.

Ken Friesen, StewardEdge

Ken Friesen explained the work of StewardEdge in design, implementation, and management of EPR programs, some of the critical facets of an effective and efficient EPR program, the challenges inherent in establishing these programs, and how such programs impact industry and government. Mr. Friesen described EPR as the expansion of a producer's responsibility, beyond the traditional production and distribution, to include collection and disposal of products. He explained that the addition of this responsibility to producers impacts their decisions about how products are designed, manufactured, distributed, and used, and results in reductions in packaging waste, improvements in packaging recyclability, and therefore increases in recycling rates.

Mr. Friesen provided the committee with detailed information about EPR programs in Canada, including the product types affected in each province, the changes over time, and some of the successes

realized. He noted that there are a number of multi-national producers involved who have large presences in the United States. He noted also that program efficiencies are realized by authorizing industry to develop, implement, and operate the programs. He suggested that if the committee is interested in establishing an EPR program for packaging, it should include all packaging material types, not only plastics.

Sara Hartwell, U.S. Environmental Protection Agency (EPA)

Sara Hartwell spoke briefly to the committee about a dialogue that EPA is now convening on sustainable financing for municipal recycling, which at this time includes seven states, four local governments, 11 brand owners, and four non-governmental organizations. Their first group meeting will be held in September 2010, and will include discussion of challenges to states and local governments, current and planned initiatives, EPR legislation activity, EPR legislation experience in other countries, and potential funding sources and mechanisms. The product of the group will be a white paper, expected to be finalized in mid-2011, that will be an information source for states and local governments.

Discussion of Committee Assignment

Chair Black asked that the committee members share possible additional information sources that might be useful to the committee and initial ideas about what could be included in the committee's final product. He also welcomed members to share this information by phone or e-mail with him or Legislative Council staff by Friday, September 3, so that time would be available to organize the committee's upcoming meeting.

Ideas for possible additional information sources suggested by committee members included:

- More detailed information on EPR legislation and programs in other states and Canada.
- Detail on what specific types of products are included in some of the "catch all" categories in the waste composition data reported to the committee.
- Information on material sorting technology and research needs.
- Recycling education efforts and the status of education spending trends by responsible units in Wisconsin.
- More detail about what recyclable items are being landfilled and whether effective markets exist for these products.
- Information on deposit laws and their effects.
- Information about plastics to energy or fuel opportunities.
- Overview of recycled materials handling capacity and infrastructure available to Wisconsin.
- Ask a company like Waste Management that deals with local governments, businesses
 and other private sector entities, and residential customers to speak to the committee
 about inefficiencies in the system.

Ideas for possible measures to include in legislation offered by the committee included:

- Find ways to incentivize or require better performance in our current recycling program.
- Add requirements to recycle additional types of plastic products that fit well into the existing recycling infrastructure.
- Revive the state's market development presence.
- Combine green purchasing initiatives and recycling content labeling requirements.

Committee members also offered several concepts as guidance for the committee's decision-making process, suggesting that the committee should:

- Take a careful approach to how policy choices should be graduated so that up-front efforts do not have unintended consequences.
- Incorporate true lifecycle effects and social and economic effects of policy decisions.
- Remain acutely aware of what stage in the lifecycle of a product is being affected by a policy and whether that meets the committee's intent.

Plans for Future Meetings

Chair Black reiterated that he intends to hold the next Committee meeting in mid-to-late October, and hopes to finish the Committee's work with two meetings thereafter.

Adjournment

Chair Black adjourned at 3:30 p.m.

LAK:jal