



american cleaning institute®

Tuesday, March 12, 2024

Chairwoman Ginny Klevorn
House State and Local Government Finance and Policy Committee
Minnesota State House
10 State Office Building
St. Paul, MN 55155

Re: Testimony from the American Cleaning Institute on HF 3577 – OPPOSED

Thank you for the opportunity to provide testimony on HF 3577 which is being heard before your committee. The American Cleaning Institute (ACI) – the trade association representing the entire supply chain for the detergent and cleaning product industry – has a vested interest in ensuring packaging, such as that being affected by this legislative proposal, is responsibly managed throughout its entire lifecycle. This is exemplified through our industry goal to eliminate all cleaning product packaging waste by 2040. Our members are making great strides in this effort by reducing our packaging usage and incorporating more recycled content into the package that gets introduced into the market.

ACI members have been involved in developing and implementing extended producer responsibility programs for packaging around the globe and, more recently, here in the United States. We have learned from experience what makes a program successful and support efforts that are well-targeted toward reducing waste and conserving resources. The complexity of this legislative proposal requires careful review and consultation with the many different entities that play a role in solid waste management. We will continue to review this proposal and share our perspective with policymakers in St. Paul. At this time, we cannot support this legislation but are highlighting areas of concern that we hope, with responsible amendments, can lead to support from the cleaning products industry.

Advanced Recycling –Processing materials through molecular conversion, or advanced recycling, is a safe and effective complement to mechanical recycling that increases the amount of recycled material supply in the market. As our member companies, as well as many other entities around the world, shift to more environmentally friendly packaging with increased recycled content packaging, advanced recycling will be needed to meet the demand placed by these programs. A [2021 study](#) from the American Institute for Packaging and the Environment (AMERIPEN) shows that demand for recycled content outweighs the current capacity to produce this material. Without new infrastructure to produce virgin-like recycled content, consumer packaged goods companies will have a difficult time meeting their goals. ACI recommends removing the exclusion of advanced recycling technologies in Subd. 6(c)(2).

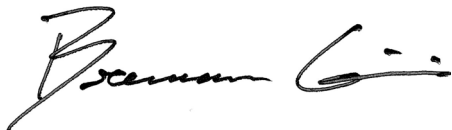
Reduction & Recycling Rate Requirement – ACI members are committed to eliminating all cleaning product packaging waste by 2040, a goal that many companies have been working towards for years already. Cleaning product manufacturers are constantly concentrating their

products into compacted formats that require less packaging. The cleaning product industry has no intention of slowing down on these efforts and supports EPR designed with goals. However, stipulating concrete dates and percentages without sufficient data and input is not a reasonable strategy for success. We recommend leaving performance requirement setting to the PRO, to be submitted to the Commissioner, after sufficient data is acquired through the state-wide needs assessment required by this bill, rather than stipulating arbitrary goals in statute. Further, ACI recommends that in addition to any source reduction goal established, there be a retroactive clause of the ten years prior to enactment to recognize the work that the cleaning product industry has been doing for years to reduce waste.

Covered Obligations – Section 12, Subdivision 3, (7) requires all costs for services provided by municipalities or private entities for collection, recovery, recycling and processing of packaging materials to be covered by the producers. We recognize that producers need to bear more responsibility in the collection of the packaging they introduce to the market. However, without shared responsibility among all stakeholders in the waste management system (e.g., consumers, collection services, municipalities, etc.) there may not be an incentive for improvement to the recycling system. Therefore, the producer responsibility organization (PRO) should not be required to reimburse all costs, particularly those associated with collection, but should develop a formula for reimbursing reasonable costs.

We would like to reiterate that ACI members support efforts to reduce packaging waste. We hope the Legislature will take more time to contemplate ACI input on this bill. ACI looks forward to being a priority stakeholder in the development of such legislation and providing necessary input regarding the performance of our products and packaging to achieve desired policy goals.

Sincerely,

A handwritten signature in black ink, appearing to read "Brennan Georgianni". The signature is fluid and cursive, with a large initial "B" and a stylized "G".

Brennan Georgianni
Senior Director, State Government Affairs
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