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March 3, 2021

The Honorable Lee Beyer, Chair The Honorable Lynn Findley, Vice-Chair Senate Committee on Energy & Environment 900 Court Street NE, Room 453 Salem, Oregon 97301

Vie e-mail only

https://olis.oregonlegislature.gov/liz/2021/Testimony/SEE

Re: EPS Industry Alliance Statement in Opposition to Senate Bills 14, 581 and 582

Dear Senators Beyer, Findley and Members of the Committee:

Thank you for the opportunity to participate in this most important process. We sincerely appreciate the time, attention, and efforts of the Committee.

As the North American trade association for the expanded polystyrene industry, we support the goals and objectives of these bills but must oppose them in their present forms.

Truth in Labeling - SB 14 and SB 582 §36

The resin identification codes, when displayed consistent with the Federal Trade Commission's Guide for Environmental Marketing, provide important and accurate information to consumers and businesses. The EPS Industry Alliance supports over 300 expanded polystyrene recycling locations and connects consumers with these resources through our website and by telephone. The resin identification code is helpful to consumers and to the EPS-IA. It is a way for us to be confident that we are providing accurate information to the public and assuring that the material efficiently arrives at a recycling location.

The allegation that the resins codes are a diabolical conspiracy to confuse consumers and overstate recycling resources is offensive. Title 16 Code of Federal Regulations Section 260.12 provides clear guidance as to what is and what is not a misleading claim of recyclability. Inconsistent and overly burdensome local regulation would do more harm than good. The reality is, as David Allaway from DEQ testified regarding RIC #5, not all resins are profitably recyclable all the time and in all places.

The Oregon Attorney General should vigorously use existing legal recourse to enforce consumer protection provisions to protect Oregonians from all misleading marketing claims.

Extended Producer Responsibility

EPS Industry Alliance supports the goals to ensure that all packaging materials are reduced, re-used, and then recycled. However, we must oppose the present proposals in Senate Bills 14 and 582.

Extended Producer Responsibility programs have been under development and in various stages of implementation in European Member States and Canada.

Experience has shown that clear identification of the goals and prioritization is critical to cooperation among stakeholders and ultimate success of the program.

The current bills propose to achieve all of the following objectives:

- Shift end-of-life costs from governments to producers/retailers/consumers,
- Encourage eco-design through incentives,
- Achieve resource efficiency by utilizing materials preferred by current recycling infrastructure,
- Reduce costs to recyclers and maximize scrap value by matching current scrap market preferences.
- Reduce governments' litter enforcement burden by shifting responsibility for consumer misdeeds to manufacturers.

The Recycling Steering Committee, with all of the other topics that commanded their attention over their two-year examination of Oregon's recycling systems, did an impressive job quickly absorbing some of the intricacies of extended producer responsibility.

However, as experience in Europe and Canada has shown, trying to accomplish multiple objectives at the initial stage may not be the best way to build a comprehensive program.

Achieving these objectives is made all the more difficult without inclusion of the packaging industry on the Recycling Steering Committee.

Consider focusing on one goal and designing the program with that in mind. Also, this should be a joint mission that looks to provide incentives and rewards for all stakeholders from consumers to manufacturers.

We oppose the present EPR proposal because it fails to:

- Identify the top priority goal and direct the system to be designed to achieve the priority.
- Ensure all stakeholder engagement by modifying the local control of the program to reconnect operation with financial obligation.
- Avoid a one-size fits all approach.

Our North American members supply EPS packaging to the seafood, aquaculture, and agricultural sector. EPS fish boxes, grape boxes, wine shippers, vaccine coolers, coolers for steak and fish home delivery are important packaging options to deliver goods safely to Oregonians.

These same products are used by Oregon businesses to export all over the world. EPS shippers are particularly critical to transport fertilized fish eggs from nurseries to hatcheries.

We sincerely appreciate the opportunity to participate in the legislative process and invite any questions or requests for more information.

Respectfully submitted.

Walter A. Reiter, III EPS Industry Alliance