

September 28, 2023

The Honorable Laurie Pohutsky
Chair, House Natural Resources, Environment, Tourism and Outdoor Recreation Committee
Room 327, House Office Building
124 N. Capitol Avenue
Lansing, MI 48933

RE: Opposition to HB 4359 - Relative to the regulation of single-use packaging.

Chair Pohutsky and Members of the Committee:

On behalf of the American Recyclable Plastic Bag Alliance (ARPBA), which represents the U.S. manufacturers and recyclers of plastic bags, I write in opposition to HB 4359, which will open the door to local-level taxes and bans of plastic packaging, including American-made, recyclable plastic retail bags.

Families across Michigan are struggling to put food on the table as a result of ongoing supply chain issues, unyielding inflationary pressures, and looming economic uncertainty. According to the <u>most recent data from the U.S. Bureau of Labor Statistics</u>, grocery price inflation increased 4.3% from August of last year, with <u>the U.S. Department of Agriculture</u> predicting earlier this year for this rate to reach 5.9% by the end of 2023. These ongoing, high figures follow years of even larger growth in food prices.

Some have suggested that HB 4359 is merely designed to allow localities across Michigan to tax or ban American-made, recyclable plastic grocery bags. This is an oversimplification and a misleading framing of the proposal. If adopted, HB 4359's effects on Michigan families, retailers, restaurants, and manufacturers would be severe.

Passing HB 4359 would give localities broad authority to tax or ban a wide variety of products ranging from bags to cups to bottles to lids to sauce cups and other packaging, as we have seen happen in other states. In Massachusetts, there are 157 local ordinances governing plastic carryout bags and dozens more covering other products.

With the introduction of local bag bans, retailers are forced to purchase more expensive alternatives that are being plagued by the same skyrocketing prices and shortages. Recently, rural small businesses have reported local bans would increase bag costs dramatically, <u>forcing stores to switch to products that can cost</u> as much as 50 times more to acquire.

Through a patchwork of local taxes and burdensome product regulations, HB 4359 will drive up prices for consumers, undermine small businesses, and harm in-state manufacturers. At the same time, varying local policies could undermine state-level priorities related to economic prosperity, the business climate, or statewide waste and recycling strategies.

Given the likelihood that the unintended consequences of the bag regulations HB 4359 opens the door to outweigh any sustainability benefit and the potential for the ensuing regulatory patchwork to frustrate statelevel interests, ARPBA respectfully urges the committee to oppose this bill.

ARPBA and its members share a deep commitment to sustainability, like many communities across Michigan. We are among the first to say, "if you don't need a bag, don't take one." However, instead of opening the door to a patchwork of competing bag regulations via HB 4359, Michigan should consider other ways to promote sustainability throughout the state in a uniform manner.

Thank you for your time and consideration.

Sincerely,

Zachary Taylor

Director

American Recyclable Plastic Bag Alliance

CC: Majority Vice Chair Jenn Hill

Minority Vice Chair David W. Martins

Rep. Noah Arbit

Rep. Mike McFall

Rep. Veronica Paiz

Rep. David Prestin

Rep. Josh Schriver

Rep. Nate Shannon