

November 9, 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 HB4359 - Relative to the regulation of auxiliary containers.

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 and the 30,000 American workers they employ, I write in opposition to HB 4359, which will open the door to local-level taxes and bans of American-made, recyclable plastic retail bags that will increase costs on stores and prices for families.

As so many struggle to put food on the table as a result of ongoing supply chain issues, unyielding inflationary pressures, and looming economic uncertainty, HB 4359 would increase those burdens and open a floodgate of local restrictions that make every trip to the store more expensive.

While topline inflation numbers have relaxed from staggering highs, prices remain stubbornly high and the <u>U.S. Bureau of Labor Statistics</u> reports prices increased 2.4% from last year. The <u>U.S. Department of Agriculture</u> predicts more pain is on the way, predicting the overall rate for food will be 5.9% by the end of 2023.

HB 4359 would exacerbate these prices pressures by unleashing a patchwork of competing local rules that would harm Michigan families and exacerbate these price pressures, forcing stores and shoppers to switch to alternative products that are not only more expensive, but also worse for the planet, as confirmed by lifecycle assessment after lifecycle assessment.

Regulatory patchworks created by policies like HB 4359 disrupt economies of scale that businesses of all sizes rely on to manage costs. The experience in Massachusetts, which accounts for 60% all local bag regulations in the United States should serve as a warning for Michigan.

In Massachusetts, 155 separate local jurisdictions have carryout bag regulations, with similar numbers covering other products ranging from beverage bottles to takeout containers to straws and lids. Of Massachusetts' 14 counties, only Nantucket has a single standard for allowed carryout bags. In Middlesex County, the Commonwealth's largest, there are 40 separate local ordinances with 9 regulatory standards for businesses to track. In some areas, product regulation can change from intersection to intersection.

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, small businesses have reported local bans would increase bag costs dramatically, forcing stores to switch to products that can cost as much as 50 times more to acquire.

Much of the discussion about HB 4359 and similar efforts to undermine statewide uniformity in favor of local taxes and prohibitions on products Michigan consumers rely on, reuse, and recycle every day have been tied to sustainability. For ARPBA members, sustainability is at the heart of what we do, and we are proud to provide a reusable, American-made, and recyclable option to stores and shoppers across the country. We are among the first to say, "if you don't need a bag, don't take one."

However, science, research, and data reveal that efforts to ban plastic grocery bags lead to unintended consequences and unsustainable outcomes. The reason is simple: plastic retail bags are not major drivers of litter, waste, or marine debris concerns and research consistently shows that the products that replace them have larger environmental impacts that are rarely offset by consumer reuse.

<u>Data from the U.S. Environmental Protection Agency</u> show that combined, all plastic bags and sacks account for three-tenths of one percent (0.3%) of all municipal solid waste. Plastic retail bags account for an even smaller fraction of this amount. Litter surveys consistently find that plastic bags account for a minuscule fraction of items collected at litter clean-ups. An nationwide litter <u>survey conducted by Keep America Beautiful found</u> that plastic retail bags accounted for just six-tenths of a percent (0.6%) of items collected at clean-ups on roadways and waterways.

Increasingly, activists have pushed policymakers to establish "stitched handle" requirements for carryout bags distributed by retailers. However, the stitched handle bags encouraged by bans on these products, like the ones you find at the checkout counter are imported from overseas and frequently made from plastics like woven and non-woven polypropylene, PET, and polyester but cannot be recycled.

The same lifecycle assessments mentioned above find that these products require substantially more reuses to offset their larger environmental impacts, which include larger emissions profiles. Worse, the New York Times reports that <u>organic cotton reusable options must be reused up to 20,000 times</u> to have the same environmental impact as the traditional plastic bag.

In short, the bag bans and grocery taxes that HB 4359 authorizes force stores and shoppers to switch to more expensive, alternative products that are often still made from plastics, cannot be recycled, have larger environmental impacts, and are imported from overseas. Instead of targeting American-made, recyclable, and reusable products, ARPBA and its members stand ready to work with the legislature on alternative approaches to promote sustainability, like promoting bag and film recycling.

Given that the unintended financial and environmental consequences of the grocery taxes and product bans HB 4359 opens the door to outweigh any sustainability benefit and the potential for the ensuing regulatory patchwork to frustrate state-level interests, ARPBA respectfully urges the committee to oppose this bill.

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. Martin

Rep. Noah Arbit

Rep. Mike McFall

Rep. Veronica Paiz

Rep. David Prestin

Rep. Josh Schriver Rep. Nate Shannon