May 6, 2023

To: The Honorable Jesse Sumner, Chair
Members, House Labor and Commerce Committee

From: Lindsay Stovall
Director, State and Regulatory Affairs

RE: HB 143 (Advanced Recycling) – SUPPORT

The American Chemistry Council (ACC) is a national trade association representing almost 200 global companies engaged in the chemical industry including leading manufacturers of plastic resins. The ACC appreciates the opportunity to submit the following comments in support of HB 143, which would appropriately regulate advanced recycling facilities as manufacturing facilities.

Increasing sustainability and reducing plastic waste are extremely important for our communities. This includes enabling innovation to drive recycling rates upward. To date, Alaska and much of the United States have been able to mechanically recycle things like soda and water bottles, milk jugs, detergent bottles and some tubs and lids. However, it is challenging to mechanically recycle complexly engineered packaging such as food pouches, snack wrappers, and other complex packaging materials. Additionally, economics, market demand, and recent restrictions from China have had a major impact.

This is where innovation comes in. Instead of sending these valuable plastics to landfills or burning them for energy, technologies like advanced recycling (also commonly referred to as chemical recycling), can take these hard to recycle plastics and convert them into raw materials for new chemicals and plastics. These are truly circular, environmentally beneficial solutions that do not involve incineration or combustion but instead create recycled feedstock that can be used to make new packaging.

Here are some examples of how these technologies have been successfully implemented in the U.S.:

- Wendy's has switched from their paper-lined drink cups to an all-plastic cup made with 20% recycled plastics thanks to advanced recycling.[1]
- Herbal Essences – one of the highest profile brands of Procter & Gamble, is producing five shampoo and conditioner bottles made from 50% certified recycled plastic.[2]
- Warby Parker is bringing recycled materials to the eyewear industry via advanced recycling technologies.[3]

Bear in mind, advanced recycling facilities would be subject to federal, state, and local environmental regulations including the Clean Air Act and Clean Water Act. It is also important to note, ***twenty-four other states have passed similar laws to ensure that these technologies are regulated as manufacturing***.

[1] https://www.berryglobal.com/en/sustainability/supporting-customer-goals/wendys-partnership
[2] https://www.eastman.com/en/media-center/news-stories/2021/herbal-essences-new-packaging-eastman-renew
[3] https://www.eastman.com/en/media-center/news-stories/2022/warby-parker-molecular-recycling-program

If Alaska converted just 50% of the currently landfilled plastic feedstock in the state, it ***could generate over $70 million in economic output each year and up to 250 manufacturing jobs***. It is critical for advanced recycling companies looking to invest in this state that their technology will be properly regulated as manufacturing and that the products they produce count as recycling and towards future recycled content targets. HB 143 accomplishes these objectives and paves the way to bring added investments and jobs to the state of Alaska, while increasing recycling, conserving resources, and reducing plastic waste.

Thank you in advance for considering our views. If you have any questions, please do not hesitate to contact me at 916-448-2581 or via email at Lindsay_Stovall@americanchemistry.com.