



## Pack Green Coalition Public Policy Initiatives – July 2023

The Pack Green Coalition focuses its efforts on replacing unnecessary plastic in packaging supply chains with sustainable alternatives. A core component of our work involves public advocacy on the policy initiatives that we believe will advance this important mission and help in the necessary transition to a circular economy. The “take-make-waste” approach to economic production is unsustainable in a world where resources—including fossil fuels that are used to make plastic—are finite, plastic is polluting our precious waterways, and the climate is changing far more rapidly than civilization can bear. Over the past 18 months, Pack Green has met with dozens of congressional staffers in the House and Senate, both Republicans and Democrats, to further our policy priorities, which include:

- Tax incentives for sustainable packaging equipment
- Extended Producer Responsibility (EPR) laws
- Government procurement
- Truth in labeling, particularly with regard to recyclability claims

The following is a brief overview of our proposals:

### Tax Incentives

- Investment tax credit for equipment: We have proposed an investment tax credit that would offset 30% of the capital cost of the purchase/installation of eligible equipment to facilitate use of sustainable paper packaging.
- Business equipment/energy efficiency deduction: The permanent Section 179D program allows business owners a deduction for installing energy efficient equipment in an existing or new building. We seek to expand it to include a deduction for automated packaging machines that use sustainable products (e.g., paper).
- Tax credit for food and to-go containers: We support the introduction of a Federal tax credit for restaurant owners that purchase sustainable packaging for to-go containers. We will also explore this at the state level.
- Tax credit for use of paper that is third-party certified: We endorse tax credits for businesses that use paper certified to be sourced from responsibly managed forests.

Each of these incentives, if passed, will benefit Pack Green’s various stakeholder categories, and we will continue to push for their implementation.

### Extended Producer Responsibility

We have been active around the country in advocating for EPR laws.

- We successfully supported Colorado’s HB22-1355, which establishes a producer responsibility program in Colorado for consumer packaging and paper products.

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- In New York State, we joined partners on a letter to Speaker Carl Heastie in the New York State Assembly, advocating for the inclusion of EPR for packaging and printed paper as part of the final SFY 2022-23 budget, and we wrote Governor Hochul's office in support of part RR of the 2022-23 New York State Executive Budget proposal concerning the establishment of an EPR. Although EPR was ultimately not included in the budget, EPR momentum in New York remains strong, and we remain committed to promoting its passage.
- In California, we publicly supported the passage of SB 54, the most ambitious EPR law to date in the US. This new law incentivizes manufacturers to opt for more sustainable, thereby decreasing the amount of plastic they use and increasing recycling rates of plastic. Pack Green is harnessing the momentum of this landmark legislation to advocate for EPR laws in other states.

## Government Procurement

Last fall, Pack Green submitted comments to the General Services Administration (GSA) in response to its request for public feedback around the federal government's use of plastic in both packaging and shipping.

Given Congress's inaction on environmental legislation and the reality of a split Congress in 2023, Pack Green has pushed for federal procurement policies that the Biden Administration can implement on its own. In July 2022, GSA published a request for public comments on single-use plastics the agency uses, primarily for packaging and shipping. This feedback is intended to inform future requirements and reporting mechanisms for reducing unnecessary single-use plastic by federal agencies. Pack Green submitted written comments highlighting specific alternatives available today, encouraging the Administration to act quickly in prioritizing both sustainable packaging and truth in recyclability claims. Pack Green continues to work with industry and NGO allies to build support for Administration action.

## Truth in Labeling

Truth in labeling provisions generally require that products using recycling labels (e.g., the "chasing arrows" symbol) actually meet minimum recycling standards. In other words, if a product (such as bubble wrap or air pillows) is technically recyclable, but only a *de minimus* amount is actually getting recycled, it would not meet the minimum standard. At the Federal level, Pack Green advocates for truth-in-labeling provisions as a part of other efforts – e.g., tax incentives or federal procurement.

Additionally, in April of 2023 we submitted comments to the Federal Trade Commission (FTC) in response to its request for public comments regarding its review of the Green Guides. The Green Guides, first issued in 1992 and most recently revised in 2012, set forth general principles that apply to all environmental marketing claims and provide guidance on how marketers can qualify their claims to avoid deceiving consumers. We recommended the FTC set stricter criteria for products to display text or symbols indicating that a product is "recyclable." We also called for the establishment of independently enforceable requirements related to unfair and deceptive environmental claims. At the state level, we continue to look for opportunities to advocate for truth-in-labeling provisions in key states. For example:

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- Oregon Recycling Modernization Act (Senate Bill 582), passed in 2021, created a task force to study recyclability claims and make recommendations for legislation. Pack Green will advocate for the inclusion of robust truth in labeling provisions.
- In 2021, California passed SB 343, prohibiting the use of the chasing arrows symbol on non-recyclable products and packaging. Under this law, packaging that displays a symbol or statement indicating it is recyclable is considered deceptive or misleading unless the product is recyclable in accordance with California-specific regulations and is of a material type and form that routinely become feedstock in the production of new products or packaging. The law requires the California Department of Resources Recycling and Recovery to take steps to evaluate and identify which materials are “recyclable” in the state. Pack Green will work with California regulators and stakeholders to ensure strong standards as this law is implemented.

Most recently, we submitted comments to the Environmental Protection Agency (EPA) on its Draft National Strategy to Prevent Plastic Pollution, wherein we expressed support for EPA’s approach, with an emphasis on reducing reliance on plastic through the increased use of alternative recyclable and biodegradable packaging of the types that Pack Green regularly promotes.

We look forward to hearing from you on these and any other policy initiatives Pack Green can undertake in addressing plastic pollution and moving us toward a circular economy and a more sustainable future.