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President and CEO

TO: Chairman Smith, Senate Environment and Energy Committee

Christine Buteas
Chief Government
Affairs Officer

FR: Christine Buteas – Chief Government Affairs Officer

Frank Robinson
Vice President

DATE: September 27, 2018

Andrew Musick
Vice President

RE: **NJBIA Comments on concerns with bans on single-use carryout bags, polystyrene foam food products, and single-use plastic straws**

Michael Wallace
Vice President

Tony Bawidamann
Vice President

Good Morning Chairman Smith and Members of the Committees:

Nicole Sandelier
Policy Analyst

My name is Chrissy Buteas, Chief Government Affairs Officer of the New Jersey Business & Industry Association (NJBIA). On behalf of our member companies that provide more than 1 million jobs in the state and make the New Jersey Business & Industry Association the largest statewide business association in the country, thank you for the opportunity to testify today on Senate bill S2776, which concerns single-use carryout bags, polystyrene foam food products, and single-use plastic straws.

NJBIA and our members share in society's responsibility to manage waste products and its impact on the health of our environment. At the same time, we know that we must advocate for those policies that will sustain and grow our economy. We would like to briefly highlight a number points for your consideration as you consider this legislation.

First, let me begin with plastics. It is important to recognize that any discussion regarding plastics should observe they are not just a New Jersey problem, nor an American issue, but a global challenge.

In 2015, researchers ranked the largest offenders of waste mismanagement on our planet. It was discovered that China and Indonesia, together, generated nearly one-third of all plastic bags, bottles and other debris that is washed into the Earth's oceans. By comparison, the United States is responsible for 0.28 metric tons of plastic waste per year (MMT/YR) versus China alone @ 8.82 MMT/YR. While every nation must do its fair share in cleaning up this worldwide problem, we cannot expect the good people of our state to shoulder a disproportionate amount of the fiscal responsibility for the world's bad actors.

Protecting and Creating Jobs

New Jersey's plastics industry directly employs more than 18,000 employees in the Garden State.¹ In fact, New Jersey ranks 17th in the country in terms of plastics industry employment. Any effort to limit plastics consumption would decrease the need for plastics manufacturing and could jeopardize these jobs.

¹All of the numbers in this section are based on the one-page provided by the Plastics Industry Association.

The impact on jobs if single-use plastics were banned would go beyond manufacturing. The plastics industry employs New Jersey workers throughout the entire supply chain. This includes manufacturing, but also transportation, packaging, and other areas.

Jobs in construction, healthcare, food services, and others are also dependent on the plastics industry. There are approximately 997,300 New Jersey jobs that could be indirectly impacted by any measures that create adverse conditions for the state's plastics industry.

With an all-out ban on plastics, this bill is the strictest in the nation. Furthermore, this bill is another expense on business. If stores choose to supply their customers with a bag, they will be forced to go with the more expensive option of paper, rather than plastic.

This bill also limits the flexibility businesses have to provide their customers with products that make their shopping and restaurant experience more convenient.

The Facts

To date, the state has not released any analysis studying the impact of plastics as it relates to litter or other environmental concerns. We want to be sure that any measure impacting so many jobs will actually have the desired effect.

Secondly, we know, based on a life-cycle analysis conducted in 2011 by the UK Environment Agency, that single-use plastics can actually have a lower carbon footprint than proposed alternatives made from longer lasting materials, which require more resources in their production and create far greater environmental impacts.”²

If we take plastic bags as an example, a standard paper bag has to be used four times in order to offset the environmental impact of its production and transportation when compared to a single-use plastic bag.

Similarly, a heavy-duty reusable plastic bag has to be used five times, a polypropylene bag 14, and a cotton reusable bag has to be used roughly 173 times.³

“Substituting the majority of plastic used in the consumer goods sector with a mix of alternative materials that provide the same function, would increase environmental costs by a factor of four to over US \$533 billion in 2015. This equates to an additional \$13,887 in environmental costs created per million dollars of consumer goods sector revenue (total \$18,773 per million) compared to business as usual plastic use,” according to the American Chemistry Council.⁴

In 2012, German researchers at the Helmholtz Centre for Environmental Research – UFZ concluded that the world's top ten plastic load carrying river systems likely accounted for

² [e.pdfhttps://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/291023/scho0711buan-e-e.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/291023/scho0711buan-e-e.pdf)

³ <http://berkeleysciencereview.com/will-californias-plastic-bag-ban-help-environment>

⁴ <https://plastics.americanchemistry.com/Plastics-and-Sustainability.pdf>

90% of the global plastic input into the sea.⁵ Of these ten, eight were in Asia, and two were in Africa.

Moving Forward

There is considerable room for improvement by way of public education to reduce the amount of plastic bags from our state that ends up in landfills.

Increased investment in reuse of items and in recycling infrastructure could achieve the same environmental goals as other measures without unnecessarily harming the industry and its employees. And as I've pointed out, we have reason to believe these methods would actually benefit our fight against climate change more than many alternatives.

With respect to the restriction of polystyrene, we again oppose an all-out ban of this product. For many of the same reasons as listed above, this legislation increases costs to business. Additionally, the exemption for meat, poultry, seafood trays should be permanent not just for a year. That is a food safety issue.

As for the straw exemption, we believe straws should be available upon request.

We would like a broad definition of reusable bags and would also like a phase-in over multiple years.

In conclusion, any State policy change on this matter should be phased in and should not be done in a piecemeal approach – municipality by municipality. As previously stated, NJBIA believes we need a statewide policy that addresses these issues in a thoughtful, comprehensive manner; one that recognizes the need and desire for a clean environment and a healthy, growing economy.

Thank you again for inviting me today, and for consideration of our comments.

⁵ https://www.ufz.de/index.php?en=36336&webc_pm=34/2017