



Chairman Southerland  
425 Rep. John Lewis Way N.  
Nashville, TN 32743

March 8, 2024

Dear Senator Southerland:

The Association of Plastics Recyclers (APR) is pleased to share our support for the bipartisan **SB 573/HB 550, the Tennessee Waste Reduction and Recycling Act**, as a proven, effective solution to increase plastics recycling and strengthen regional and domestic manufacturing.

[The Association of Plastic Recyclers \(APR\)](#) is a US-based non-profit and the only North American organization focused exclusively on improving the recycling of plastics. APR members are the entirety of the plastics recycling industry from design to collection to recovery to remanufacturing. Under our policy and advocacy initiatives, the APR works with U.S. states to adopt and implement producer-funding recycling policies as a critical solution to improve plastics recycling. This bill will increase recycling rates and reduce plastic waste; reduce pollution from landfills; spur more sustainable packaging design; and achieve all these milestones through an industry-driven solution without government spending.

### **BUILDING STRONGER DOMESTIC SUPPLY CHAINS AND BOLSTERING US MANUFACTURING**

This bill is first and foremost about regional manufacturing and a more resilient, stronger domestic supply chain. There is more demand to use recycled plastics in new products than available supply of materials, and US recyclers are [importing plastics from overseas to meet demand](#). This is a lost economic opportunity and **this policy will help collect more plastic bottles and packaging from Tennessee households to be used directly in US manufacturing.**

The US could [recycle nearly 50% more plastic bottles today](#) using our existing recycling capacity if there was stronger participation and improved access to recycling programs. Many plastics recyclers are not running at full capacity because **the US is not collecting enough bottles, milk jugs, and other common plastics for recycling from households and businesses.** A 2024 national recycling report found [Tennessee recycles less than 20% of its](#)

[plastic bottles](#). The APR supports SB 573/HB 550 as a priority solution to collect more plastic bottles to be used in US manufacturing.

Producer-funded recycling for packaging and printed paper is the [only proven policy to provide sufficient, ongoing, and dedicated funding to increase recycling](#). More than 3,000 companies participate in similar programs in Canada. These are the same companies that sell the same products on our shelves in the US., companies such as Coca-Cola and Pepsi, Keurig and Kelloggs, Clorox and Colgate, and many others. More than 20 years of experience has shown producer-funded recycling programs to be **one of the most effective solutions to increase the amount of plastics collected for recycling and ensure more recycled materials are used in new plastic packaging**.

### ECONOMIC BENEFITS AND BUSINESS OPPORTUNITIES IN TENNESSEE

This bill will grow plastics recycling businesses in Tennessee and across the region instead of expanding landfills. It is a vote for green jobs and clean, circular economy. Recycling [creates nine times more jobs than landfills](#), and a national report found that doubling the US recycling rate could result in [more than \\$30 billion in economic benefits over 10 years](#) (including wages, taxes, landfill savings, and the value of recyclables).

This bill is also a huge business opportunity for the existing service providers in Tennessee. There is a large need for more services, new and renovated infrastructure, innovative collection and processing systems, and more to reach these goals. The existing recycling providers are in the best position to deliver these new and expanded services because they have the existing infrastructure, partnerships, and experience to best serve the state.

### PRODUCER-FUNDED RECYCLING DOES NOT DRIVE UP CONSUMER COSTS

Producer-funded recycling has been in place around the world for over two decades, and **there is no data to show that these programs lead to a noticeable increase in consumer prices based on actual program experience**. [There is no discernable difference in the price of consumer goods](#) in locations that have producer-funded recycling programs compared to those that do not.

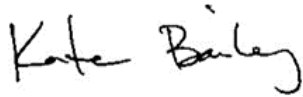
Under similar programs in Canada, brand companies pay fractions of a penny per product. These costs are spread throughout the supply chain and the company portfolio, and do not result in perceptible changes in consumer prices. Data from three Canadian provinces show the [producer-funded recycling program is less than 1% of the total price of the average cost of goods in those regions](#). Changes in product prices are based on much bigger impacts from

labor, transportation, retailer agreements, raw material supplies, and inflation, not from this type of program.

### MOVING FORWARD

The APR supports this bill and looks forward to continued engagement in the process to improve recycling in Tennessee to support stronger regional and domestic manufacturing. Thank you for your leadership and commitment.

Sincerely,



Kate Bailey  
Chief Policy Officer, Association of Plastic Recyclers (APR)