



Date: March 20, 2024

To: Senate Committee on Commerce and Consumer Protection

Re: Letter of Information: MN SF 3561

Dear Senate Committee on Commerce and Consumer Protection:

The Carton Council of North America is composed of four leading carton manufacturers, Elopak, Pactiv Evergreen, SIG, and Tetra Pak. Formed in 2009, the Carton Council works to deliver long-term collaborative solutions to divert valuable cartons from the landfill. Through a united effort, the Carton Council is committed to building a sustainable infrastructure for carton recycling nationwide and works toward its goals of increasing access to recycling and increasing the recycling of cartons throughout the U.S. Currently, cartons have achieved 62% household access to recycling nationally. As of December 2023, household access to carton recycling in Minnesota was 82% – this can be broken down further to the Twin Cities Metropolitan area, which has 100% household access to carton recycling and 60.9% for the rest of the State.

Food and beverage cartons are a packaging option with an excellent environmental profile used to hold a variety of products. Two types of food and beverage cartons exist: gable-top and aseptic cartons. Both are made primarily from high-quality fiber. All cartons contain a small amount of polyethylene, and a small amount of aluminum is present in shelf-stable/aseptic cartons. These multiple layers allow cartons to safely store their contents for long periods of time. They do not inhibit recyclability or prevent the package from being recycled.

Cartons are recycled in one of two ways:

1. At a full carton recycler, where the entire carton, including the polyethylene and any aluminum, is turned into sustainable building products.
2. At a recovered fiber mill, the extracted fiber is used to create new paper products such as tissue, toweling, and printing and writing paper as well as other paper-based packaging.

Fiber recovered from recycled cartons saves precious natural resources. A ton of paper made from recycled fibers conserves an estimated 7,000 gallons of water, 17 to 31 trees, 4,000 kWh of electricity, and 60 pounds of air pollutants. Recycling cartons is a great way to make new paper-based products and sustainable building materials.

The Carton Council supports the development and implementation of well-designed EPR systems for packaging and printed paper. The Carton Council is aligned with the spirit of SF 3561 in that the policy aims to bolster and improve the recycling system. However, the Council is concerned that certain aspects of the bill may not be achievable, particularly the targets for source reduction, recycled content, and other statewide goals. The Carton Council commends the bill sponsors for including language that targets should be established based on the statewide needs assessment. The inclusion of performance goals in the bill prior to the needs assessment is concerning since the needs assessment will provide valuable information on what is realistic and may or may not be achievable.



We suggest the following changes:

- **Recycled Content** - The Carton Council agrees that performance targets should be determined after the baseline is found in the statewide needs assessment. The Carton Council suggests language be added to the bill to exempt fiber-based packaging from recycled content mandates if the manufacturer cannot achieve the postconsumer recycled content requirements and remain in compliance with applicable rules and regulations adopted by the FDA. In addition, source reduction should consider the product to package ratio that already exists for source reduced products such as cartons. We encourage Minnesota to develop recycled content policy in concert with food contact regulation and clearance practices to ensure full policy alignment and necessary quality assurances. Current market conditions, material availability, and ensuring that the material is at scale in the marketplace also need to be considered.
- **Packaging Reduction** – Setting packaging or source reduction goals that may not be achievable in statute will either result in banning a wide range of products under the law or cause the law to fail under the inability to meet such mandates. Packaging reduction is happening in the marketplace and has been occurring for some time, as it is an area that reduces costs to producers. Codifying punitive source reduction goals.
- **Statewide Materials List** - The legislation gives authority to the Commissioner of the Pollution Control Agency to establish a statewide materials list based on the statewide needs assessment. The Carton Council suggests amending the language to give the authority of compiling an accepted materials list based on a statewide needs assessment to the PRO.

In section 115A.1453, Subdivision 3, point 2, which refers to the accepted materials list, the Carton Council appreciates the “OR” ISRI OR defined stream language written into the bill and urge your Committee to keep that language in the bill through future iterations. Cartons are going into Grade 54 as a defined stream, but since the Grade definition does not specifically include it, cartons would not otherwise be included.

The Carton Council is dedicated to building strong, sustainable recycling infrastructure and end markets. Our comments are offered in this context. We appreciate the opportunity to weigh in on SF 3561 and look forward to continuing to engage with the Committee and providing any data it may need to help make decisions beneficial to the recycling system in Minnesota and continuing to expand partnerships with public and private entities to further carton recycling.

Please do not hesitate to contact us for any reason.

Sincerely,

Ed Klein
Executive Director
Carton Council