



MINNESOTA GROCERS ASSOCIATION

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Chair Hawj and Members of the Senate Environment, Climate, and Legacy Committee:

The Minnesota Grocers Association thanks you for the opportunity to express our concerns regarding the third engrossment of SF3561, the Packaging Waste and Cost Reduction Act.

The Minnesota Grocers Association is the only state trade association representing the food industry of Minnesota. Minnesota has a unique culture of hundreds of hometown grocers and convenience stores, many of whom are independent, multi-generational, and locally owned. We have over 300 members with over 1,300 locations statewide, which includes food producers, manufacturers, brokers, and wholesaler members. Our industry provides over 150,000 jobs in the state – both union and non-union.

From farm to fork, the challenges continue for the food industry of Minnesota. Increases in labor costs, severe workforce shortages, inflation in commodities, rising energy and transportation costs, as well as persistent supply chain problems test day-to-day operations. All of these factors and regulatory restrictions put dramatic pressure on consumer baskets.

As an industry, we are deeply committed to the communities we serve. We take our role as an environment steward seriously, and we appreciate the interest in a circular economy that can benefit all. Our members are innovators when it comes to packaging, recycling, and repurposing. We are concerned that the power given to the Producer Responsibility Organization and the MPCA in this bill creates a top-down approach that reduces the ability of businesses to develop creative and innovative programs based on real-world experiences.

Industry is greatly concerned that the current version of the bill does not explicitly state that retailers will not be required to act as recyclers or drop-off locations. This adds a level of impact that needs further discussion. The bill has the potential to make Minnesota a regulatory island, which affects consumers baskets and puts our state's brick and mortar businesses at a further disadvantage.

On behalf of our membership, we thank you for the opportunity to voice our concerns. The MGA supports investment in proven programs and technologies that efficiently bring more clean material into the system. We support investments in recycling infrastructure and public education. Any changes to Minnesota's existing and successful recycling programs should be approached collaboratively with an acknowledgement of current packaging requirements, systems, and product availability.

Sincerely,

Jamie L. Pfuhr
President