



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 with some of the Extended Producer Responsibility (EPR) provisions included in SF3887, the Senate Environment Supplemental Budget Bill.

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.

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 EPR proposal expands the powers of the Minnesota Pollution Control Agency and the Producer Responsibility Organization (PRO) to an unprecedented level. There is limited legislative oversight, which is a necessary component of creating a balanced program that is based on real-world experiences and goals.

Industry is greatly concerned with the EPR provisions in Article 5 that does not explicitly state that retailers will not be required to act as recyclers or drop-off locations. We are strongly opposed to leaving the door open for requiring retailers to be return locations. We need to ensure that any new systems work congruently with existing programs and infrastructure. Consumer education and action must also be a part of a circular system.

The inclusion of the Bottle Deposit Return language in Article 5, Section 21, gives retailers strong reservations. We believe this system would be unnecessary. The PRO would have the ability to manage producers within the development of the EPR system. This would be consistent with the approach of EPR, and a more efficient method than charging customers a regressive and inequitable deposit fee at the point of purchase.

Any EPR proposal cannot make Minnesota a regulatory island, which will affect consumers baskets and puts our state's brick and mortar businesses at a further disadvantage. 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. Pfuhl
President