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**AMERIPEN**  
**American Institute for Packaging and the Environment**

**Testimony**  
**in Support of**  
**House Bill 316**  
**Virginia Recycling Development Center**

**Virginia House of Delegates**  
**Agriculture, Chesapeake and Natural Resources Committee**  
**Natural Resources Sub-Committee**  
**January 31, 2024**

Chair Tran and members of the Virginia House of Delegates Natural Resources Sub-Committee of the Agriculture, Chesapeake and Natural Resources Committee.

AMERIPEN – the American Institute for Packaging and the Environment – appreciates the opportunity to provide testimony on House Bill 316 (Bulova) that would establish the Virginia Recycling Development Center for the purposes of furthering the development of markets and processing for recycled commodities and products within the Commonwealth of Virginia. AMERIPEN supports policies that improve recycling, consumer education and move materials into circularity. This includes government support for the development, implementation, and maintenance of robust state recycling market development centers. We therefore fully support HB 316 as drafted and urge this sub-committee to support its passage.

AMERIPEN is a trade association dedicated to improving packaging and the environment. We are the only material-inclusive packaging industry trade association in the United States representing the entire packaging supply chain. Our membership also includes a robust array of industry, material, and product-specific trade associations who are essential to the AMERIPEN fabric. This includes materials suppliers, packaging manufacturers, consumer packaged goods companies, and end-of-life materials managers. We focus on science and data to support our public policy positions, and our advocacy and policy engagement is based on rigorous research rooted in our commitment to achieve sustainable packaging policies. We have several member companies with a significant presence in Virginia, and many, many more who import packaging materials and products into the state. The packaging industry supports more than 37,000 jobs and accounts for nearly \$12.7 billion in total economic output in Virginia.<sup>1</sup>

Packaging plays a vital role in Virginia, ensuring the quality of consumer goods as they are manufactured, shipped, stored, and consumed, protecting the health and safety of Virginians who consume, use and handle those products. Packaging has value and none of it belongs in landfills, roadsides, or waterways. We need to recover it to be recycled and reused, and no one knows better how to do that than the AMERIPEN members who design, supply, produce, distribute, collect, and process it. They are driving innovation, designing packaging for better environmental performance to boost recycling and evolve the recycling infrastructure.

AMERIPEN supports policy solutions, including packaging producer responsibility, that are:

- **Results Based:** Designed to achieve the recycling and recovery results needed to create a circular economy.
- **Effective and Efficient:** Focused on best practices and solutions that spur positive behaviors, increase packaging recovery, recapture material values and limit administrative costs.
- **Equitable and Fair:** Focused on all material types and funded by shared cost allocations that are scaled to make the system work and perceived as fair among all contributors and stakeholders.

We believe HB 316 meets these principles and we therefore support it as drafted.

As AMERIPEN and its members promote, and invest into, the development of a circular economy, we have, since 2020, worked closely with state recycling market development centers throughout the U.S. to find ways we can best aid one another in supporting existing markets and developing emerging markets for recycling packaging into new products. Our collaboration with these state recycling market development centers, through our State

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<sup>1</sup> AMERIPEN (2021) [U.S. Packaging Industry Economic Impacts Study](#).

Recycling Market Development Taskforce, has resulted in a first-of-its-kind research study on the cumulative economic impact of three decades of state recycling market development<sup>2</sup>, a guide on best practices for state recycling market development centers and programs<sup>3</sup>, and an assessment of packaging recovery goals versus supply capacity and demand for plastics.<sup>4</sup> Many global companies have set goals to increase recycling of their packaging and our data shows there is a gap between their goals and domestic capacity, indicating they can't reach success without more investment and new business development. Recycling market development centers can help close that gap.

Data from our economic impact study shows a positive correlation between states that have recycling market development centers and growth of recycling business, as well as attracting other businesses who appreciate having domestic recovery supply chains. Data for Pennsylvania, for example, indicates that recycling jobs pay an estimated 23% more than the average state salary, and for every 100 recycling jobs, 166 indirect positions are created.<sup>5</sup> In Michigan, a plan to triple the recycling rate to 45 percent with support from their recycling market development center is expected to create 138,000 new jobs, provide \$9 billion in annual labor income, and \$33.8 billion in economic output. South Carolina's recycling market development center has proven that investments into recycling can scale up employment at a higher rate than the average South Carolina industry, with an employment multiplier of 2.4.<sup>6</sup> These state recycling market centers are effective economic engines with positive environmental outcomes.

What AMERIPEN's resources show is that there are multiple critical needs for state recycling market development centers, that there are multiple ways to make them work, and that they can be a strong economic development engine for those states that implement them. AMERIPEN believes that the Virginia Recycling Development Center to be created by HB 316 is a significant and positive step to addressing challenges in the recycling marketplace today and we applaud Delegate Bulova for introducing it. Our support of this bill's efforts to support recycling markets, increase consumer education on proper recycling behaviors, reduce recycling contamination and increase recycling is rooted in our commitment to achieving packaging that benefits consumers, the economy, and the environment. Again, we urge this sub-committee to support the passage of HB 316.

Please feel free to contact Dan Felton, Executive Director of AMERIPEN at [danf@ameripen.org](mailto:danf@ameripen.org), or Andy Hackman at [ahackman@serlinhaley.com](mailto:ahackman@serlinhaley.com) for any questions or for stakeholder discussions on the important issues of state recycling market development and improving even further the recycling of packaging materials. Thank you for your consideration of our comments.

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<sup>2</sup> AMERIPEN (2023) [Economic Impact of State Recycling Market Development Programs: 1990-2023](#).

<sup>3</sup> AMERIPEN and RRS (2021) [Best Practices for State Recycling Market Development Centers](#).

<sup>4</sup> AMERIPEN and Circular Matters (2019) [US Company Recycled Plastic Content Goal Analysis: Supply & Demand](#).

<sup>5</sup> IHS (2017) "[Economic Impact of the Pennsylvania Recycling Marketplace](#)"

<sup>6</sup> Recycling Today (2023) "[AMERIPEN study features recycling market development case studies from South Carolina, Michigan](#)"