American Chemistry Council | Plastics Division

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American Chemistry Council

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"*Beyond the Blue Bin: Forging a Federal Landscape for Recycling Innovation and Economic Growth*."

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Chairman Guthrie, Chairman-Designate Palmer, Ranking Member Tonko, and Members of the Subcommittee: thank you for the opportunity to testify and for your thoughtful engagement on waste reduction and recycling. My name is Ross Eisenberg, and I am President of America's Plastic Makers™ at the American Chemistry Council (ACC). In this role I oversee the ACC's Plastics Division, which advocates on behalf of plastic manufacturers and the associated value chain.

ACC represents more than 190 companies engaged in the business of chemistry—an innovative, economic growth engine that is helping to solve the biggest challenges facing our nation and the world. The members of ACC's Plastics Division create materials that countless Americans and companies rely on to make essential and often lifesaving products. These include medical-grade plastic for surgeries, personal protective equipment for ourselves and our caregivers, lightweight vehicle components, and energy-saving products for our homes.

The U.S. plastics and chemical sectors play an important role in maintaining America's competitive edge in global markets and driving innovation, while keeping prices low for consumers. Nearly 27% of U.S. manufacturing output is in industries highly reliant on plastics.[1] The industry is a driver of U.S. economic growth, generating $46 billion in economic output, supporting nearly 5 million American jobs and over $391 billion in wages, and providing feedstock for American industries, including automotive, construction, packaging, electronics, and healthcare. The plastics manufacturing sector itself employs

[1] Manufacturing industries where plastics account for 5% or more of materials (from the agriculture, mining, construction and manufacturing sectors) inputs are considered to be highly reliant on plastics. Nearly all manufacturing industries rely on plastics in some form or another.

670,000 Americans, pays nearly $50 billion in wages, and holds a $22 billion trade surplus — making it one of the few U.S. industries that exports more than it imports.

Plastics are also indispensable in many applications that make them difficult, if not impossible, to replace with alternatives that deliver the same or better performance, environmental footprint, or cost. Use of plastics can be the difference between life and death, as items such as IV bags, syringes, gloves, masks, and other personal protective equipment and medical equipment are all made with plastic. Packaging and shipping also frequently call for plastics in critical end uses. Plastics are integral to natural disaster emergency response when cold storage is unavailable, and it is difficult to keep items safe and sanitary. In these situations, plastic packaging protects food, water, and other emergency response supplies.

ACC and our members are committed to creating a more circular economy for plastics and helping to end plastic waste in the environment. Because plastics typically allow us to do more with less, they tend to have a lower carbon footprint than other materials and are used in a wide range of energy-saving applications at home, work, and on the road. Plastic packaging helps to dramatically extend the shelf life of fresh foods and beverages while allowing us to ship more product with less packaging material—reducing both food and packaging waste and associated emissions. Plastic insulation, sealants, and other building products are making our homes significantly more energy efficient, while reducing costs for heating and cooling. Lightweight plastics in cars can dramatically increase miles per gallon, saving drivers money at the pump without sacrificing passenger safety.

Waste in the environment, including plastic waste, is never acceptable. America's Plastic Makers™ believe in a future where used plastic does not end up in the environment, but is instead reused, remade into new plastics, or converted into valuable raw materials that society needs. To get there, we must modernize the way we collect, recycle and reuse plastic and other materials. This is not a small task, but we believe we can get there with the right policies. The remainder of my written testimony will focus on policies the federal government should implement to help our vision become a reality.

We encourage the federal government to take the following strong steps in the near term:

1. Actively engage in the U.N. global plastics agreement negotiations and help arrive at a final agreement in 2025 that all countries—plastic producers and consumers—will support and join.
2. Remove regulatory roadblocks to the introduction of innovative new recycling technologies.
3. Advance common-sense legislation to help achieve these shared goals.

1. Importance of U.S. engagement in the Global Plastics Agreement negotiations

American leadership can help create an opportunity out of a global challenge. Governments across the globe have labored for more than two years to advance a global agreement to address plastic pollution, an international effort to develop solutions to prevent plastic from entering our environment. Negotiations resume in August 2025, when the U.N. Environment Programme convenes in Geneva, Switzerland, for the Second Part of the Fifth Session of the International Negotiating Committee on Plastic Pollution (INC-5.2). The *original* Fifth Session (INC-5) was intended to conclude last November at INC-5 in South Korea, but countries were unable to reach consensus on a final agreement. When

negotiations resume in August 2025, U.S. engagement and leadership can help land an agreement that puts America first.

The shale gas boom in the U.S. has led to a major resurgence of the domestic plastics industry, which uses natural gas not only for energy but as a feedstock. Since 2010, more than $200B of shale-advantaged chemical industry investment has been announced in the U.S. Of this, two-thirds have been completed and more than a dozen projects are under construction. Twenty one percent of the investment—more than $40B—has been in plastic resin production.[2] New capacity for resins and a competitive feedstock advantage has allowed plastics exports to grow. Over the past decade, plastic resin exports have risen by 72% (on a volume basis). In March 2025, plastic resin exports hit a new record high of nearly 2.4 million metric tons.

The United States has a clear strategic and economic interest in shaping a final agreement that can bring the priorities of the United States to the forefront, safeguarding U.S. manufacturing while ensuring global action to end plastic pollution. This means opportunities to create more domestic jobs, foster American innovation and protect our coastlines and tourism-dependent coastal communities from pollution. America can lead the world through championing policies that incentivize improved waste management infrastructure and that send the right demand signals to spur private investment in collection, sortation and recycling of plastic.

[2] Source: ACC Economics Department.

If the U.S. does not take a bigger role at INC-5.2, we run risk of other nations stepping up as deal-maker and arriving at an agreement that fails to match U.S. interests. I saw this exact script play out at INC-5 in Busan. Three months before INC-5, the Biden Administration announced a sharp change in position—a wish list of policies the U.S. government did not have the legal authorities to implement (and therefore could not sign). Then, three weeks prior to INC-5, the 2024 election happened. When the Biden negotiating team arrived in Busan, it was clear that the U.S. was not in a position to broker a final agreement—and the rest of the world knew it. Other nations stepped into the deal-maker role, and I assure you they were not negotiating with U.S. interests in mind.

What is the consequence of the world entering an agreement that the U.S. can't join? Look no further than the Basel Convention. The United States is the only developed country that has not ratified this treaty. The Basel Convention plays a vital role in promoting the open exchange of information and shared global responsibility on the trade in hazardous and other wastes. In recent years, the Basel Convention has expanded its scope to include regulating global plastic waste trade, which is a critical development.

As the United States is not a Party to Basel, it must sit on the sidelines at the treaty's technical committees and Conference of Parties while decisions are made that significantly impact the U.S. economy. The United States is also prevented from trading in materials regulated under the Basel Convention, including plastics for recycling, with countries that are Parties to the agreement without separate bilateral or multilateral agreements to allow such trade. Such agreements take time and involve significant negotiations by both countries.

To effectively shape global standards, the U.S. must be positioned with clear legal authorities and a coordinated interagency approach. When we're not at the table in a meaningful way, others step in—and not always in ways that reflect our interests.

Rather than sit on sideline for years to come as other countries make decisions that impact the U.S. economy, the United States can lead global challenges and do so on our terms. Seizing this moment to shape international standards that help strengthen our economy and protect our environment is critical to the plastic industry's competitiveness, and for these reasons we strongly encourage the United States to engage in the Global Plastic Agreement.

2. Remove roadblocks to the introduction of innovative new recycling technologies

The U.S. recycling system is dated, set up in the 1970s to collect bottles, cans, and paper. Americans and American companies are demanding products made with recycled plastic. Yet, the supply of recycled plastic is not keeping up with the demand. (Automakers are a good example. Our cars and trucks are made of about 50% plastic by volume. Automakers are seeking more recycled plastic in vehicle components to meet sustainability goals and to comply with global policy demands for recycled content.) According to the EPA, in 2018, industrywide, recycling as percent of generation levels run about 68% for glass, 34.1% for metals, 29.1% for polyethylene terephthalate (PET) containers, and 29.3% for high-density polyethylene (HDPE) natural bottles. The recycling rate for low-density polyethylene (LDPE), polypropylene (PP), polystyrene (PS), and other plastics is significantly lower. Overall, only 8.7% of plastic was recycled in 2018. Outdated and underfunded recycling infrastructure has stymied plastic recycling.

We believe in a future where used plastic does not wind up in a landfill or in the environment. To achieve this goal, we will have to make major investments in all forms of recycling. Mechanical recycling, the most common method of recycling, efficiently recycles many common plastics. Mechanical recycling involves sorting, cleaning, and shredding, to make plastic flake which is then melted into new products. By integrating new technologies like enhanced sorting and new shredding techniques, mechanical recycling is increasingly able to handle more plastics than in the past. And we will need it to: reducing the amount of plastic waste that ends up in landfills or the environment means scaling up mechanical recycling significantly.

Despite its advances, mechanical recycling cannot process every type of plastic. Contaminated and mixed plastics often cannot be mechanically recycled. Sortation is difficult and error prone, especially for flat, small, and some colored products. Each time plastic is melted and reformed, its integrity diminishes, limiting the number of times a plastic can be mechanically recycled. Also, only certain plastics can be mechanically recycled. In most cases, films, flexibles, and multilayered plastics, like chip bags, cannot be mechanically recycled. And while newer, more effective (and efficient) technologies for mechanical recycling exist, municipalities often rely on older, less effective equipment. Due to these limitations, a large portion of plastic is sent to landfills or is incinerated. Some states are running out of landfill space and exporting their waste to other states. Further complicating matters, infrastructure varies community to community, leaving many uncertain of what can be recycled and further complicating sortation.

All of these concerns around recycling have led to depressed recycling rates. Unsurprisingly, low recycling rates have a negative effect on consumers. In the past 5 years, the number of consumers that question whether recyclables were truly recycled has more than doubled.[3] When consumers lose confidence in recycling, they stop buying recycled plastic and stop recycling plastic. That is an outcome nobody wants.

A suite of technologies we refer to in this testimony as advanced recycling technologies[4] can help increase recycling rates and restore consumer confidence in the industry. Advanced recycling technologies break down post-use plastics to serve as the chemical building blocks for new products, including new plastics. These technologies not only help keep plastic out of landfills, incinerators, and our environment, they help keep used plastic in our economy, helping create a more resilient U.S. supply chain and well-paying American jobs. Specifically, advanced recycling can process contaminated plastics, and previously difficult to recycle plastics, such as films, flexibles, dyed, and multilayered/mixed plastic. New technologies such as artificial intelligence and robotics at a select number of material recovery facilities (MRFs) are greatly improving sortation capabilities and opening new markets for materials previously destined for the landfill. Because post-use plastic is turned into

[3] https://recyclingpartnership.org/recycling-confidence-index/.

[4] By advanced recycling, we refer to a manufacturing process for the conversion of post-use polymers and recovered feedstocks into recycled products that include basic raw materials, feedstocks, chemicals, and other products through processes that include pyrolysis, gasification, depolymerization, catalytic cracking, solvolysis, chemolysis, and other similar technologies. In other contexts, these processes have been referred to as non-mechanical recycling, chemical recycling, or molecular recycling. In recent years, we have received criticism from manufacturers of other materials and from mechanical recyclers, who believe use of the term "advanced" means that other technologies are not advanced. That is not our intention at all. That being said, non-mechanical recycling also includes energy recycling, which is outside the scope of today's testimony. Therefore, for the purposes of precision while encompassing a suite of technologies, I will use the term advanced recycling during today's hearing.

chemical building blocks, there is not concern about diminished quality, and the end product is fit for food contact and medical purposes.

We recognize the need for transparency and rigorous environmental safeguards with any new technology. That is why we support independent certification and strong regulatory oversight for advanced recycling processes, to ensure they deliver measurable environmental benefits.

New recycling technologies can expand our nation's ability to produce essential materials here in the U.S. Advanced recycling can strengthen our supply chains, improve our competitiveness, grow thousands of new, well-paying U.S. jobs and cut waste. Adoption of advanced plastics recycling and recovery facilities in the U.S. could result in 48,500 U.S. jobs, as much as $3.3 billion in annual payroll and $12.9 billion in economic output.[5] Perhaps most importantly, if advanced recycling does not scale up in the U.S., the plastics that can only be handled by advanced recycling will wind up in landfills or the environment.

Despite the potential for advanced recycling to help us eliminate plastic waste, a plethora of regulatory barriers stand in its way. Conflicting regulations across states create uncertainty for investors in advanced recycling. These technologies are inconsistently defined across jurisdictions or categorized as solid waste management or even incineration, subjecting them to permitting frameworks that were never designed with their intended use in mind and/or excluding the output from counting as recycled content. For example, New Jersey does not count advanced recycling as a method of meeting post-consumer

[5] https://www.americanchemistry.com/content/download/10845/file/Potential-Economic-Impact-of-Advanced-Recycling-Recovery-Facilities-in-the-US.pdf.

recycled content mandates. However, other states, such as Washington, permit advanced recycling to count towards recycling provided certain criteria are met. ACC's position is that advanced recycling of plastic should be regulated as manufacturing and that plastic made with advanced recycling should be regulated as recycled content.

The uncertainty exists in the federal space as well. The Federal Trade Commission's (FTC) Green Guides, which provide guidance as to how marketers can qualify their claims to avoid deceiving consumers, are silent as to whether or not content from advanced recycling can be called recycled content. The Environmental Protection Agency (EPA) has proposed and withdrawn a series of regulations related to some recycling technologies under the Clean Air Act and Toxic Substances Control Act; this year-to-year regulatory uncertainty chilled the market for new investment in advanced recycling technologies.

To encourage innovation and investment, federal regulations need to be clear, objective, transparent, and timely. They also need legal certainty. And they should be designed to remove obstacles, not create them. The timelines for obtaining permits are already lengthy due to outdated environmental review protocols; inconsistent regulatory frameworks will only worsen this situation and further discourage investment from companies looking to build or scale advanced recycling facilities.

3. ACC supports smart common sense legislation

American companies need legislation that supports waste reduction and establishes clear national standards for plastic recycling and recycled content. Current law is leading to unintended market disruptions. Federal legislation could address the legal and regulatory uncertainty created by the growing

patchwork of state laws and regulations. It could also help catalyze investments in recycling technologies, plus the collection and sortation infrastructure needed to bring more recycled plastic to market.

ACC would support federal legislation establishing an extended producer responsibility (EPR) program that would help generate funding, incentives, infrastructure, public education, and other needed changes to fill the gaps in the current recycling system. Under most EPR systems, product makers are charged a fee to support the recycling infrastructure and public education. We believe an industry-led EPR framework designed to drive innovation, support local infrastructure, and minimize taxpayer burden can be a powerful tool to improve recycling outcomes without stifling economic growth. To be successful in the U.S., at a minimum EPR legislation should:

- Aim to invest in the necessary infrastructure to increase the recycling rate through improved access, collection, sortation, and education;
- Include all forms of recycling ;
- Specifically authorize secondary sortation;
- Eco-modulate fees based on weight of the packaging and the material's environmental impact;
- Include recycled plastic attributed through a mass balance accounting system;
- Require independent certification for plastics attributed via mass balance accounting;
- Allow a producer responsibility organization (PRO) overseeing the EPR system to utilize a special assessment to support the infrastructure to increase the recycling rate for specific items;
- Include exemptions for public health and critical U.S. interests;

- Encourage innovation by permitting transitional requirements for newly developed products and material;
- Include government oversight of the EPR system to ensure smart governance and avoid exorbitant costs;
- Dedicate funds collected under the EPR system to infrastructure buildout and supporting functions;
- Establish fair, open, and competitive markets for post-use materials within EPR systems; and
- Sunset once assessment-identified goals are achieved, leaving the modern/expanded system in place.

EPR should not include policies that encourage material switching or production caps. Nor should the system ban or restrict certain resins, plastic products or chemistries that have little nexus to recycling or are more appropriately addressed in other regulations. ACC appreciates the work being done by Ranking Member Tonko and other Members of the Committee in this space.

In addition, ACC supports legislation that would develop national recycling standards for plastic. Plastic recycling today is confusing – recycling standards can create more certainty for recycling markets. There are approximately 9,000 state and local recycling systems that process plastic differently. Congress should direct the EPA to bring together the plastic value chain and municipalities to develop a national recycling framework for plastic. National recycling standards could include:

- Minimum household access standards to optimize the ability of Americans to recycle;

- Standard definitions of recycling and recycled content to provide clarity for consumers, business and government;
- Minimum infrastructure capacity standards to ensure communities can handle common materials and adjust to new materials in the waste streams; and
- Treat plastic made using advanced recycling technologies as recycled plastic and advanced recycling of plastic as a manufacturing process.

These legislative fixes on recycled plastic will help increase the amount of recycled plastic, reduce the amount of plastic sent to landfills, create new jobs, and strengthen and reignite U.S. manufacturing overall.

ACC has proudly endorsed H.R. 2145, the Recycling Infrastructure and Accessibility Act (RIAA), introduced by Congresswoman Mariannette Miller-Meeks (R-IA). Approximately 40% of Americans lack ready access to recycling. The RIAA would task the Environmental Protection Agency (EPA) with establishing a pilot program to improve recycling accessibility in underserved communities – those without access to full recycling services. Moreover, ACC is an ardent supporter of the Accelerating a Circular Economy for Plastic and Recycling Innovation Act (H.R. 9676, 118th Congress). The bill would have created national plastic recycling standards and a minimum requirement for recycled plastic, while studying the impact of greenhouse gas emissions from product materials and establishing a legal framework for advanced recycling. Lastly, ACC would support legislation to create a federal program to accelerate plastics circularity through improved interagency coordination and/or research and development for expanding recycling and reuse technologies, materials, and techniques related to such initiatives as sorting and advanced manufacturing.

Thank you again for holding today's hearing on recycling. I believe we are in the midst of a rare moment of policy convergence, where stakeholders from all sides of the recycling debate are seeking similar outcomes. This Committee has a unique opportunity to lay the foundation for a modern recycling system that is efficient, scalable, and built for the future. Let's get this policy right so the private sector can do what we do best: innovate, invest, and deliver results for the American people.