



September 14, 2020

On behalf of the business of chemistry, it is important for us to state our support for policies that advance circularity and sustainability. In Michigan, the business of chemistry supports more than 90,000 jobs and impacts more than 96% of all manufactured goods. Our industry is strongly committed to the sustainable use of all our products, but particularly the plastics materials that play an essential role in automotive, construction, healthcare, and packaging applications. Plastics help us do more with less, and help make life better, healthier, and safer every day.

Still, we know that we must enhance our ability to recycle these valuable materials. That's why, in 2018, America's Plastic Makers[®] announced their circular economy goals to reuse, recycle and recover 100% of U.S. plastics packaging by 2040. This is an ambitious goal that requires our industry to work with stakeholders across several value chains, develop improved products for greater efficiency and recycling, and deploy new technologies like advanced recycling that allow the continued reuse of plastics.

Our industry has also been an active participant in developing comprehensive solid waste and recycling legislation in Michigan. House Bills 5812-5817 represent a bipartisan approach reflecting years of stakeholder input and knowledge of the needs of our state and our local communities. This legislation promotes a sustainable materials management approach that sets a recycling goal for our state, but also encourages state and local planning for how to utilize materials across all sectors and regions. This framework would also increase access to recycling services for Michigan residents. Lastly, the legislation provides appropriate regulation of many different materials management facilities without discouraging any particular use, while also allowing for innovative technologies like advanced recycling.

These technologies convert post-use plastics into plastic and chemical feedstocks and the building blocks for new materials. Because advanced recycling technologies produce liquid commodities, they open up vast new opportunities for a variety of businesses to use post-use plastics as an alternative feedstock to virgin oil and gas. This creates a circular material for plastics in Michigan and keeps them out of our landfills and our oceans. A 2018 study by Closed Loop Partners, a New York based investment firm, estimated that there is a \$120 billion opportunity for advanced recycling of plastics in North America.

We appreciate the work of many stakeholders and the Department of Environment, Great Lakes, and Energy (EGLE) in developing this legislation, and the legislative sponsors for introducing this package. We strongly support moving the legislation forward and advancing a circular economy for Michigan.