



January 31, 2018

The Hon. Dave Burke, Chairman
Senate Committee on Health, Human Services and Medicaid
1 Capitol Square
Columbus, OH 43215
RE: Support for H3529

Good afternoon Chairman Burke, Vice Chairman Beagle, Ranking Member Tavares and members of the Committee:

Thank you for having me here today. I'm Phil Rozenski, Senior Director of Sustainability for Novolex, one of the largest recyclers and manufacturers of food-grade packaging and auxiliary containers in North America. Novolex and its subsidiary brands directly employ more than 7,000 people at 49 North American locations. Five of those manufacturing facilities are located here in Ohio where we support jobs for 834 residents.

We would like to commend members for considering Senate Bill 210, legislation that would ensure regulatory uniformity for auxiliary containers in Ohio. Additionally, we'd like to offer our sincere thanks to Senators Coley and Eklund for recognizing the need for this legislation and taking the lead to bring it to fruition.

Novolex, its employees, and retail and restaurant customers from around the state ask for your support of SB 210 to ensure that future regulations regarding auxiliary containers are made at the state level thereby ensuring consistency and avoiding the punitive costs and red tape complications of regulatory patchworks.

For certain industries and issues, it only makes sense for there to be state-level regulatory consistency. Auxiliary containers fall under this category. States such as Indiana, Florida, Michigan, Missouri, Iowa, Idaho, North Carolina and Wisconsin have paved the way on this front, establishing legislation that clarifies the need for auxiliary container policies to be the purview of states, to uphold economic health and competitiveness in service to businesses and consumers alike.

When auxiliary containers are regulated, banned or taxed at the local level, it's common to see rules that vary from city to city and from city to county. Additionally, local ordinances – whether ban or fee-based – commonly establish manufacturing standards for products. In the case of grocery bags, an example of this is establishing a minimum thickness for bags that are allowed within a jurisdiction.

Very rarely are those measurements consistent among localities. Likewise, the compliance reporting standards laid out in these ordinances are often different. This all leads to higher operating costs for retailers and manufacturers and threatens to increase prices for consumers.

In a scenario like the one described above, where there is no state-level uniformity of commerce, companies like Novolex could be faced with having to develop city-specific product lines, threatening our ability to achieve economies of scale in production. The grocery stores, food producers and restaurants that purchase our products – many of which operate throughout the state – could be forced to change out their entire stock of products at some locations and not others, charge fees at some locations and not others, and simultaneously master and keep up with a different sets of compliance requirements for each ordinance.

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In our view, the patchwork of regulation that's invited by the absence of uniformity will lead to sizable compliance burdens for the private sector and inevitable costs and confusion for consumers. That's the reason SB 210 makes so much sense.

For these reasons – economic health and competitiveness, job protection and consumer savings – we believe auxiliary container policy is best determined at the state level. Thank you for your consideration and support of this legislation. I'll be happy to address any questions.

Phil Rozenski
Senior Director of Sustainability, Novolex
Policy Chair, American Progressive Bag Alliance

- CC: Hon. Bill Beagle
Hon. Charleta Tavares
Hon. Edna Brown
Hon. Randy Gardner
Hon. Bob Hackett
Hon. Jay Hottinger
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