



# American Chemistry Council

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Alabama Chemistry Council  
Manufacture Alabama Annual Meeting

September 15, 2022

# The American Chemistry Council

## Mission

The American Chemistry Council's (ACC's) mission is to deliver business value through exceptional advocacy using best-in-class member performance, political engagement, communications and scientific research.



**\$486** Billion generated annually by the business of chemistry

**529K** Skilled, good-paying American jobs are provided by the business of chemistry

**\$10** Billion plus invested in research and development by chemical companies in 2020

# Alabama by the numbers

- **15<sup>th</sup>** largest chemistry producing state
- **4<sup>th</sup>** largest manufacturing industry in AL
- **\$10.88 B** industry
- **9,700 direct jobs** and another 14,000+ related jobs
- **Average Wage of \$91,000**
- **51% higher** than average manufacturing wage in AL







# Federal Update



# Inflation Reduction Act

- Key energy, climate, and environmental policy provisions
  - Energy and Climate Tax Credits
  - Energy and Climate Technology Funding
  - Environmental Justice and Community Monitoring
  - Select Greenhouse Gas Regulatory Programs
  - Low-Carbon Standards and Market Development

## Sec. 50141 Funding for DOE Loan Programs Office



\$40 billion to DOE LPO through 2026 for loan guarantees on low carbon energy and industrial projects, including, inter alia,

- Renewable energy systems
- Advanced fossil energy technology
- Pollution control equip.
- Hydrogen fuel cells technology
- CCUS practices/ technol.
- Efficient end-use energy technologies
- Fuel efficient vehicle production facilities
- Refineries
- Energy storage technologies
- Advanced nuclear energy facilities

\$25 million for DOE administrative costs

# Sec. 50161 DOE grants for advanced industrial technology deployment



\$5 billion in grants to industrial facilities for development/deployment of advanced industrial technologies

Emission reduction technologies

Electrification

Renewable heat generation

Combined heat and power

Alt. fuels (h<sub>2</sub>, nuclear)

Chemical process changes

Sustainable manufacturing (reuse/recycling, waste minimization, efficiency)

Alternative materials

carbon capture technologies Sustainable chemistry

Smart manufacturing

Assessing timing for implementation



# Sec. 60201

## “Environmental and Climate Justice” Block Grants

Search EPA.gov



Environmental Justice

[CONTACT US](#)

### Environmental Justice Small Grants Program

“Since its inception in 1994, the Environmental Justice Small Grants (EJSG) Program has awarded more than \$37 million in funding to over 1500 community-based organizations, tribal governments, and Native American organizations.”

EPA IG, 8/14/2022

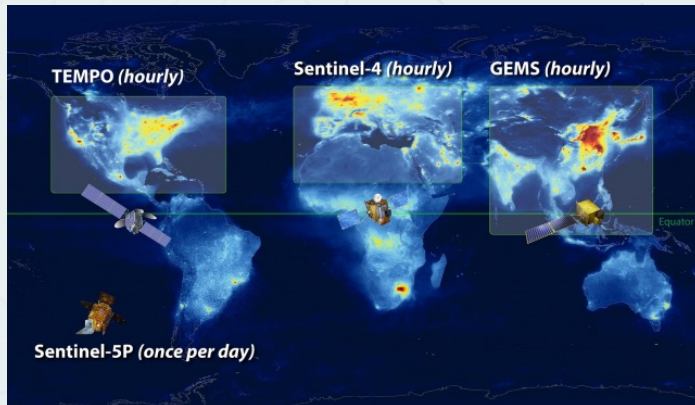
\$2.8 billion to NGOs for

- “Community-led” air monitoring, pollution prevention, and remediation
- Investments in cleantech, infrastructure, workforce development
- Reducing indoor toxics and indoor air pollution
- Facilitating engagement of disadvantaged communities in public processes

\$200 million to EPA for

- Grant implementation
- Technical assistance

## Sec. §60105(a)-(f) Air Pollution Monitoring



\$260 million for federal states/locality data collection and research programs under [CAA §103](#)

- Fenceline monitoring
- screening air monitoring
- air toxics trend stations
- community monitoring,
- NAAQS monitoring
- Air quality sensors in low-income and disadvantaged communities
- methane monitoring



# Why the EJ funding provisions matter

**Table 2.1: EPA's proposed and enacted environmental justice budgets**

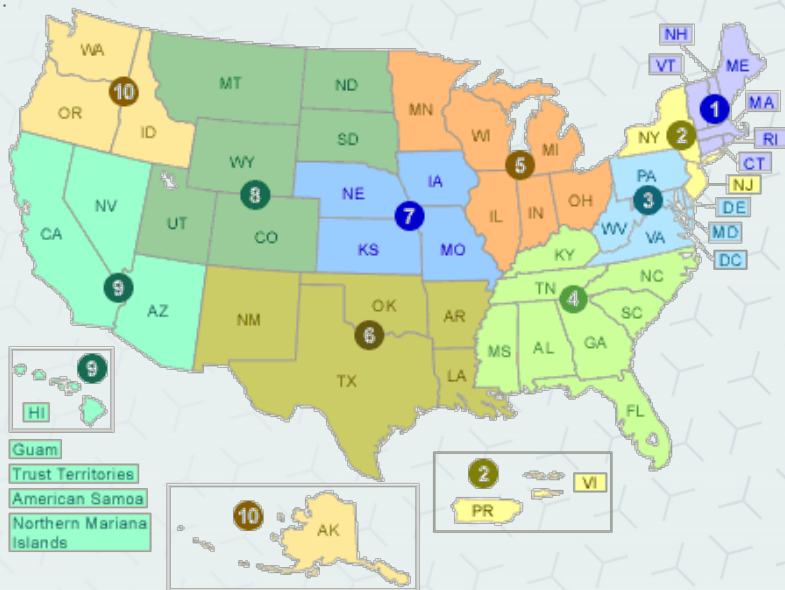
Fiscal Year	President's Budget	Enacted budget
2016	\$13.97	\$6.74
2017	\$0	\$6.72
2018	\$0	\$6.69
2019	\$2	\$6.74
2020	\$2.74	\$9.55*
2021	\$2.73	\$11.84
2022	\$293**	N/A

Source: OIG analysis of EPA budgets. (EPA OIG table)

- Unprecedented levels of federal, state, and community funding
- Up to \$ 60 billion for EJ programs across government
- Block grant program raises complicated implementation issues
  - Broad agency/grantee discretion
  - Few procedural guardrails
  - Data quality and validity
  - Impact on constructive engagement
  - Accurate risk communication
- Significant bump to EPA's EJ office will expand scope and speed



# Sec. 60114 State GHG Pollution Reduction Grants and Model Plan



\$250 million to states/municipalities

- Develop state plans, programs, policies, measures, and projects to achieve or facilitate reduction of GHGs.

\$4.75 billion to states/municipalities

- Implement their state GHG reduction plans.

\$142.5 million to EPA

- Develop model state air pollution reduction plan, administer grants, and provide technical assistance

# Rail Strike

- 115,000 rail workers may vote to strike as early as September 16.
- Monday, September 12, railroads began manage and curtail shipments of hazardous and security-sensitive materials. Tuesday, September 13, Amtrak announced long distance passenger service interruptions.
- 10 of the 12 major unions reached agreement. The two largest have not.
- Association of American Railroads estimates national shutdown would cost \$2b a day.
- Railroads ship 5,300 carloads of chemicals daily.

Congress must act to avoid potentially devastating consequences.

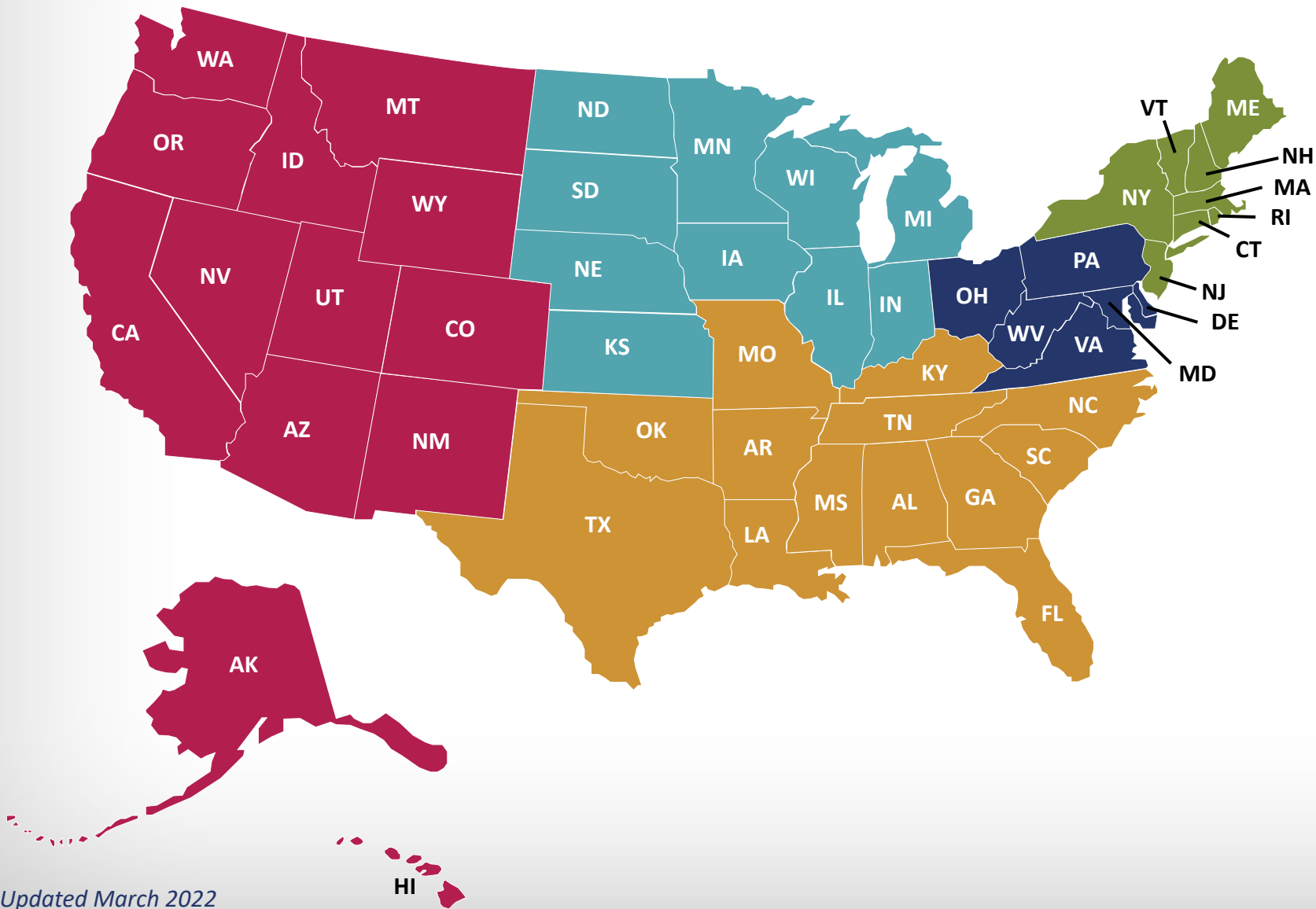




# State Affairs



# State Government Affairs Regions



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**2022  
ACC State Affairs**

**At Bat:**

**588 total priority  
bills tracked**

**Walks:**

**400 bills that did  
not get any traction**

**Hits:**

**120 bills that  
required on ground  
engagement**

**Pitches:**

**XX Plastics  
XX Chem Regs**

**Home Runs:**

**18 bills crushed  
including AR and  
big defeats**

**Strike Outs:**

**1 or 2**

**Batting Average: .734**



# Trending Topics: State Legislation



PFAS: Reporting & Product Bans



Plastics



Extended Producer Responsibility (EPR)



Advanced Recycling



Flame Retardants



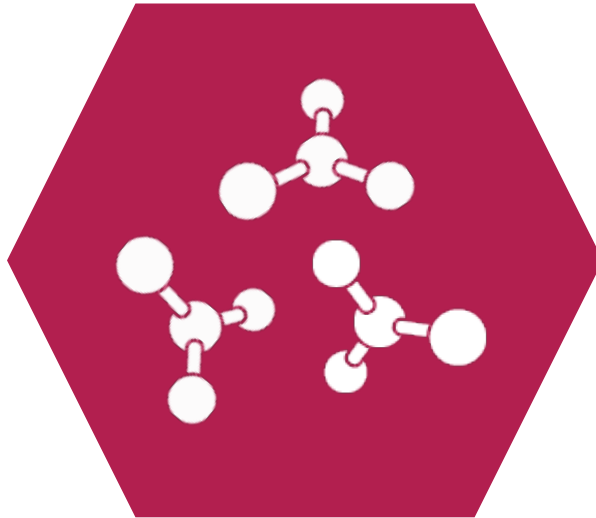
# PFAS Legislation

- Types of PFAS legislation:
  - reporting bills
  - bans on use in consumer products and firefighting foam
  - water quality, foam, clean-up
- This year PFAS legislation was introduced in 30 states—236 bills
- Colorado HB 1345; California bills on textiles/apparel/cosmetics & reporting.
- Likely see legislation introduced in 2023 in an equal amount of space
  - FL, NC, WI, MN, IL, PA, ME, NY, NJ, RI, CT, VT, MA, NH, WA, OR, CA, HI, CO, NM, AZ, & AK

# Defining & Differentiating PFAS



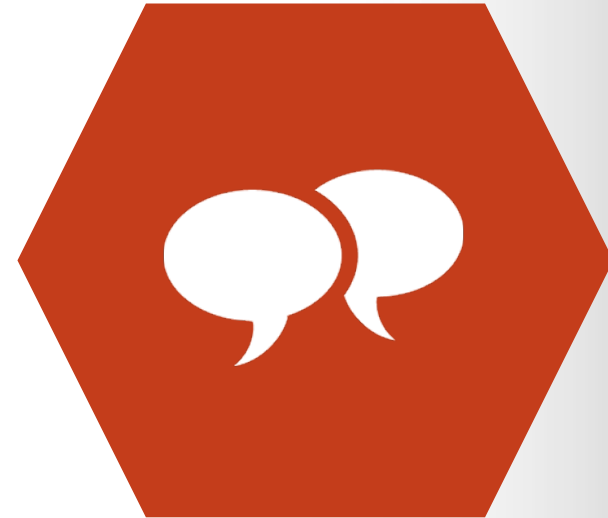
**Definition of PFAS  
has broad  
implications for  
society and  
broader economy**



**Potential to pull  
in thousands of  
substances**



**Common definition  
being advanced is  
any material  
containing one  
fully fluorinated  
carbon**



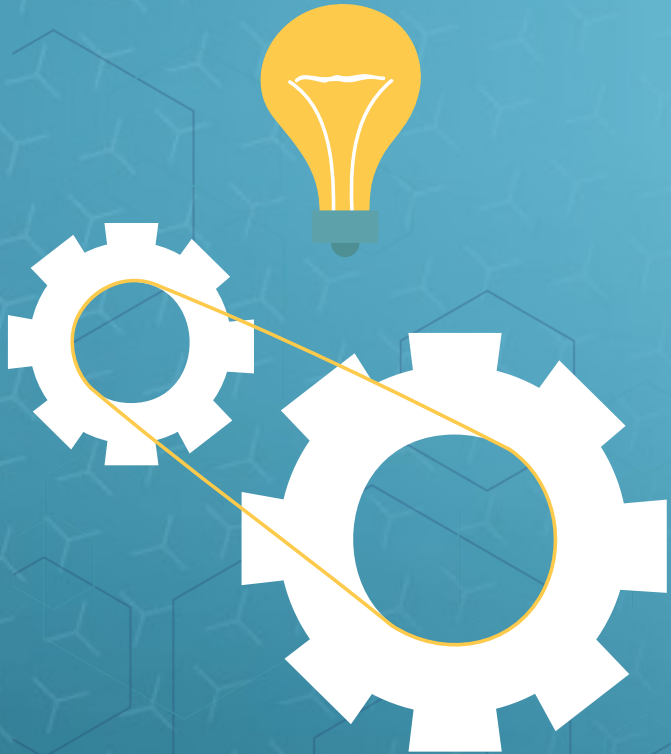
**Enhancing efforts  
to differentiate  
various PFAS**

# Plastics Legislation

- Types of plastics legislation:
  - single use plastics, foodservice ware
  - recycled content and recycling mandates
  - polystyrene foam bans
  - labeling, and extended producer responsibility
- Examples of 2022 problematic plastics bills: CA AB 2026 (protective packaging ban); NJ SB 2515 (recycled content); CA plastic thermoform, SB 54/Ballot Measure.
- Closer look at two subcategories:
  - Extended Producer Responsibility (EPR)
  - Advanced Recycling



# State Level EPR Trends



1

2022 state legislative cycle saw greatly increased EPR activity

2

EPR legislation likely to be introduced in over a dozen states in 2023

3

EPR-like policy is becoming a vehicle NGOs are using to pursue plastic packaging bans

4

ACC supported the original Maine EPR legislation (before being modified), and successfully navigated positive outcomes in Colorado and Oregon.



# What is Advanced Recycling?





# ADVANCED RECYCLING IN THE MARKETPLACE



# FOSTERING THE GROWTH OF ADVANCED RECYCLING



Appropriately regulate advanced recycling (AR) technologies as manufacturing



Provide regulatory certainty for advanced recycling companies



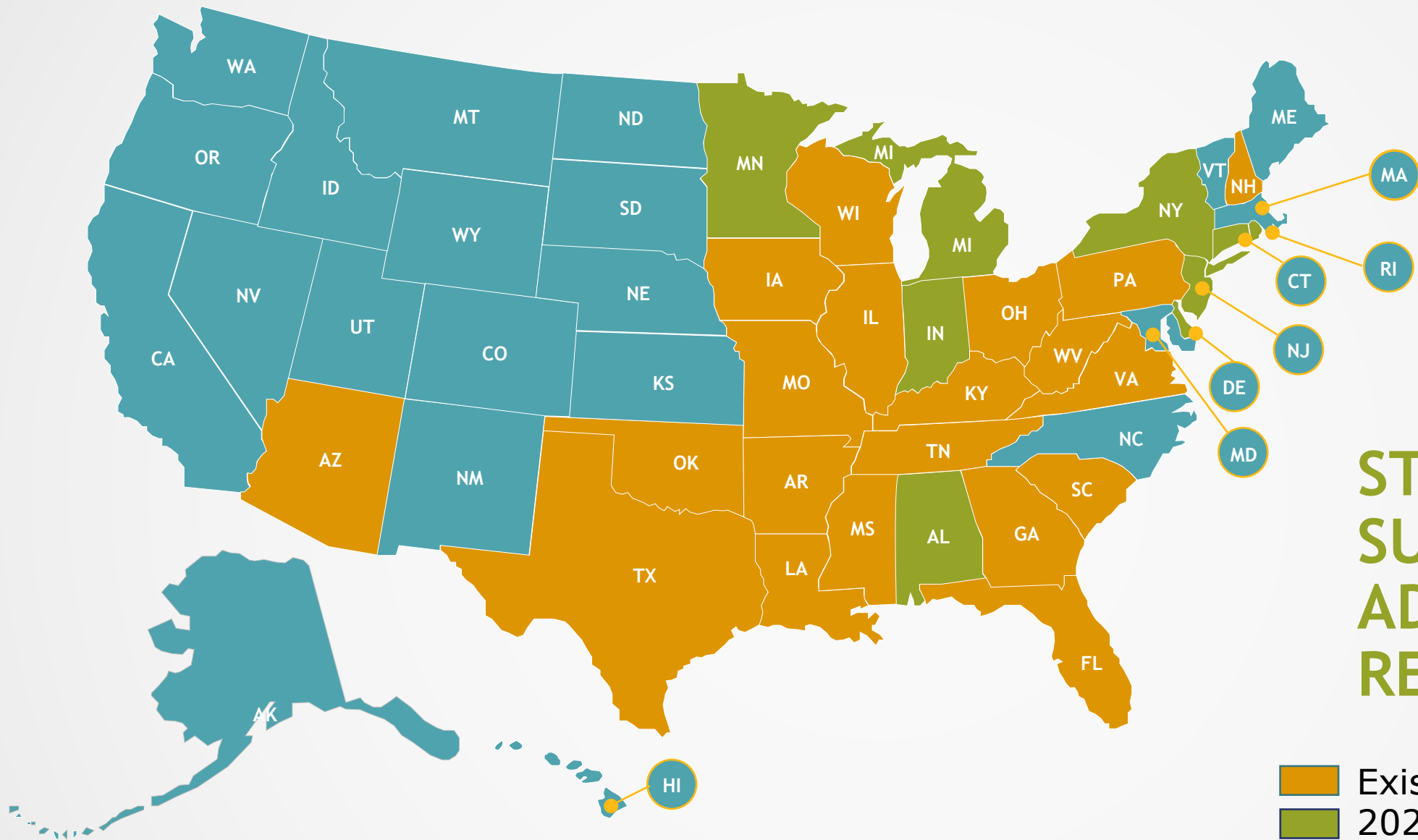
Encourage investment and transition to a circular economy for used plastics



Enable brands & packaging manufacturers to fulfill recycled content and sustainability pledges







# STATE SUPPORT FOR ADVANCED RECYCLING

- Existing Law (20)
- 2022 Activity



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