



GOVERNMENT RELATIONS & PUBLIC POLICY REPORT

2023



Innovative Products For **Home. Work. Life.**

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2023 Overview

In 2023, the HCPA Government Relations & Public Policy team, with guidance from member-led advisory committees and subject matter experts, successfully executed legislative and regulatory initiatives impacting household and commercial product manufacturers across the United States.

The Association is well regarded for working with a diverse group of policymakers and environmental health advocates to craft durable policies that preserve industry reputation, support innovation, protect human health, and bolster consumer trust.



Michael Gruber, Executive Vice President, Government Relations & Public Policy | HCPA Advocacy Day, Washington, D.C., May 2, 2023

FEDERAL Government Relations

In Congress, HCPA led an initiative to maintain appropriations for business-critical functions within the U.S. Environmental Protection Agency (EPA) and worked directly with the Agency on the implementation of the Pesticide Registration Improvement Act (PRIA), which was reauthorized with HCPA's strong support shortly before the New Year.

In conjunction with HCPA's Mid-Year Meeting in May, HCPA coordinated a Congressional fly-in with almost two dozen Congressional committees and member offices for 18-member company representatives. Participants discussed the EPA New Chemicals Program, research, and development tax credits, perfluoroalkyl and polyfluoroalkyl substances (PFAS), the Safer Choice program, and PRIA implementation. Anticipating friction over federal spending bills, the group strongly advised members of Congress to avoid a government shutdown because of its impact on important regulatory programs.

Appropriations

At the commencement of the 118th Congress, the new Republican House Majority proposed sweeping reductions in federal spending and recommended a 40 percent cut in EPA appropriations. HCPA's aggressive engagement with members of the House and Senate Appropriations Committees prevented reckless decreases to accounts that are critical to reducing staffing shortfalls, accelerating information technology modernization, and improving tools for improved regulatory decision-making.

HCPA's work preserved resources for Pesticide Licensing within the Office of Pesticide Programs and the Pollution Prevention Program in support of Toxic Substances Control Act (TSCA) activities.



Pesticide Registration Improvement Act (PRIA)

Over the last two decades, HCPA has successfully shepherded initiatives to improve national pesticide policies. HCPA's work with the PRIA Coalition united industry and environmental non-governmental organizations (NGOs) to negotiate a bill that reauthorized PRIA, which President Biden signed into law at the end of December. During the reauthorization process, HCPA led countless meetings with Congressional Democrats and Republicans in pursuit of improved regulatory outcomes for the industry. HCPA also authored a provision creating a novel training program for new agency employees that will be regulating pesticides. This novel initiative intends to leverage academic talent from higher education institutions serving minority populations to develop curricula aimed at strengthening foundational skills for future federal environmental regulators. Building off HCPA's support for ingredient transparency, the Association's guidance was critical in securing digital disclosure for bilingual product information and creating a pathway for standards for antimicrobial devices to strengthen public health claims.

Front-end regulatory interruptions have plagued implementation of PRIA. To help resolve these issues, HCPA hosted a meeting for members to share consequences of the breakdowns and recommended long- and short-term solutions, including better communication with registrants. Industry engagement allowed manufacturers to call for EPA to modernize processes for registrants and spotlight negative impacts that occur when regulatory agencies fail to address systemic failures.

Additionally, the Association was instrumental in EPA's transition to improve transparency on PRIA renegotiation rates, through which the Agency had distorted its proficiency meeting statutory timelines. EPA's shift will spotlight real-world technology and management shortcomings that deserve Congressional attention.

HCPA's work has led the Agency to address industry funded, non-PRIA actions, fee category interpretations are moving forward as planned, and the Spanish Label Translation guide workstream is ongoing.



Partnership for the Future of EPA

HCPA member companies manufacture products that require daily engagement with EPA. Regulatory backlogs stemming from failures due to obsolete information technology failures within the Agency can grind business efficiencies to a halt. Historically low staffing numbers and a lack of training has exacerbated frustration with regulatory processes.

Recognizing the importance of correcting these issues, HCPA launched the Partnership for the Future of EPA in April, a joint initiative with the Environmental Working Group (EWG), to address EPA's management challenges and educate policymakers about the Agency's responsibilities, economic impact, and organizational needs.

Sustainable Chemistry R&D Act Implementation

As a key supporter of the Sustainable Chemistry R&D Act and longstanding advocate for chemical innovation, HCPA engaged with members of the White House Office of Science and Technology Policy (OSTP), National Science and Technology Council's (NSTC) Joint Subcommittee on Environment, Innovation, and Public Health and its Sustainable Chemistry Strategy Team.

Alongside other sustainable chemistry stakeholders, HCPA strongly encouraged the Biden Administration to leverage interagency coordination work streams to promote sustainable chemistry innovation and promote next generation chemistries that are safer for human health and the environment.

National Defense Authorization Act

HCPA's federal advocacy activities included engagement on the annual National Defense Authorization Act (NDAA) to prevent a sweeping proposal that would have required a Department of Defense (DoD) purchasing prohibition on cleaning and floor products that may contain PFAS.

HCPA communicated its concerns about the unintended consequences of this proposal. Citing the lack of validated testing methodologies for PFAS, HCPA warned the House and Senate Armed Services Committees that, if enacted, products manufactured without intentionally added PFAS could still be banned by the DoD if product compliance was based on findings from unreliable tests and careless testing procedures.

Packaging Sustainability

There was no appetite for federal packaging legislation in 2023 as states began implementation of recently enacted Extended Producer Responsibility (EPR) laws. Even so, HCPA tracked legislation that intended to strengthen the nation's recycling infrastructure, as well as proposals that would severely limit sustainability goals gained from product lightweighting.

Bipartisan proposals focused on creating new grant programs and establishing EPA reporting mechanisms on the capability of the U.S. to implement a national strategy for reducing contamination rates for recycling and collecting data on recycling and composting rates by federal agencies.

Safer Choice Program

This year, HCPA was again recognized as an EPA Safer Choice Partner of the Year – the eighth time in nine years the Association has received this honor.

The 2023 award reflected HCPA's robust advocacy in support of Safer Choice by organizing a broad group of stakeholders to successfully advocate for the restoration and growth of the program, as well as increasing HCPA member engagement with Safer Choice.





Michelle Kopa, Senior Director, State Government Relations & Public Policy (East Region) | HCPA Mid-Year Meeting, Washington, D.C., May 4, 2023

Christopher Finarelli, Senior Director, State Government Relations & Public Policy (West Region) | HCPA Fly-In, Sacramento, CA, March 6, 2023

STATE Government Relations

The 2022 elections shifted power in the states for progressives and triggered legislative dysfunction in Congress. Consequently, in 2023, state-level activity gained even more momentum requiring HCPA to intensify its in-person engagements with state leaders. HCPA reintroduced its California Advocacy Day, where 30 dedicated HCPA members convened in Sacramento for two-days of productive meetings with Assemblymembers, Senators, policy experts, and the California Environmental Protection Agency (CalEPA).

Extender Producer Responsibility (EPR)

While new proposals for EPR continued in 12 states, no new states implemented programs in 2023. California, Colorado, Maine, and Oregon remain the four states with EPR laws, and HCPA has turned its attention to implementation of these EPR programs.

Maryland and Illinois approved studies to inform future EPR legislation, while Vermont passed a household hazardous waste (HHW) EPR bill, making it the first state in the nation to enact EPR for a product category. HCPA amplified policy principles in these three states, earning key amendments to bills that will serve as the foundation for the reintroduction of proposals in 2024.

Hawaii EPR Proposal

For the second consecutive year, HCPA was successful in helping neutralize an EPR proposal in Hawaii, as the punitive bill failed to earn enough support as the session ended. This year's proposal, much like its 2022 counterpart, diverged from established EPR frameworks that are common across Europe, Canada, and the U.S.

HCPA actively engaged in strategic advocacy work to inform lawmakers about prevailing EPR models in other states. The bill's final contents remained problematic; but HB 1326 was amended to include the establishment of a Producer Responsibility Organization (PRO), an important industry priority. HCPA remains poised to navigate this issue in 2024.

Illinois Packaging Needs Assessment

The enactment of SB 1555 requires the Illinois EPA to execute a statewide needs assessment for packaging and paper products and generate recommendations for an EPR program to be presented to the legislature. HCPA is prepared to engage on proposals stemming from the state's report.

Maine EPR Implementation

After LD 1541 was the enactment of LD 1541 in 2021, Maine launched the rulemaking phase for its EPR law governing paper and packaging waste.

The law grants Maine's regulatory agency a heavy hand of control in crafting rules and oversight of future implementation of the law while placing financial and compliance responsibility on producers. HCPA, in coordination with key allies, remains an active participant in the rules process, and we continue to amplify the need for a coherent rule.

Maryland EPR Study

Signed into law in May 2023, SB 0222 mandates the establishment of a government-funded needs assessment to inform the development of a new recycling collection and processing infrastructure and identify associated costs.

The law also requires the establishment of a Producer Responsibility Organization (PRO) and separate advisory council that will be tasked with reporting findings and recommendations to the Governor by December 2024.



Washington EPR Bill Defeated

In 2023, legislators in Washington State launched a third attempt to establish an EPR program.

HCPA successfully championed efforts to secure exemptions for FIFRA-regulated products within the proposed program. The bill fell short of passage, but HCPA stands ready should this legislation be reintroduced in 2024.

Vermont Household Hazardous Waste EPR

Vermont enacted the nation's first law requiring manufacturers to establish an EPR program for products classified as HHW. HCPA engaged with lawmakers and provided testimony in support of a simplified option for the legislature's consideration. Through the Association's persistence, policymakers agreed to modify an overly complicated and bureaucratic proposal by eliminating 40 different legislative mandates that could have been included in the final law.

The statute requires the submission of a product stewardship plan and approval by the ANR in 2025, and a collection program for all covered HHW products outlined in the stewardship plan to be implemented in 2026. HCPA remains engaged with the Vermont Agency of Natural Resources to help determine industry options for implementation.

Packaging & PCR Content

Washington PCR Mandate Implementation

This year marked the multi-year culmination to implement SB 5022, Washington State's post-consumer recycled (PCR) content law, which mandates benchmarks for certain plastic PCR content, including household cleaning products.

Following HCPA's participation in the PCR Advisory Committee, led by the Washington State Department of Ecology, final regulations were enacted., which included several key changes that HCPA successfully advocated for, including a cleaning product definition with guardrails and exemptions for plastic aerosols, caps, and closures.

This program, alongside EPR, could become the subject of legislation in 2024.

California Pigments in Packaging

AB 1290 emerged as a significant legislative challenge in California, aiming to impose restrictions on specific pigments and chemicals used in product packaging. The bill's passage would have unraveled substantial negotiations for SB 54, the source reduction and recycling program adopted in 2022.

A coalition of industry leaders, including HCPA, rallied against the measure. Notably, the bill was shelved by the author with plans for its return in 2024. HCPA remains committed to safeguarding industry agreements in established programs.

New Jersey Recycled Content Law

New Jersey's Recycled Content Law sets PCR requirements for rigid plastic containers, glass containers, paper and plastic carryout bags, and plastic trash bags, and prohibits the sale of polystyrene loose fill packaging. Manufacturers were required to register every year, beginning in July 2022, and recycled content standards take effect in January 2024. HCPA is actively supporting members as they navigate the implementation phase of the law.

Oregon SB 544

Drawing inspiration from California SB 544 was introduced in Oregon by the Chair of the Senate Committee on Energy and Environment with the intent of imposing rigorous source reduction mandates on single-use plastic consumer products.

HCPA firmly opposed this measure, emphasizing the critical importance of allowing the state's newly adopted EPR program to achieve full implementation before introducing new mandates. In the end, the bill failed to garner sufficient support from the legislature.

Microplastics

HCPA organized a California-based coalition of industry stakeholders to synchronize microplastics regulations with those of the European Union.

Assemblymember Rebecca Bauer-Kahan introduced AB 234, reflecting an effort to establish harmonized regulatory frameworks on a global scale. While the bill incorporated important amendments related to biodegradability, it was postponed until 2024.

HCPA remains dedicated to preventing a state-by-state patchwork of microplastics policies and will explore potential solutions with a broad set of stakeholders and policymakers.

HCPA has also been engaged with the California Department of Toxic Substances Control (DTSC) as the agency lays the groundwork to add microplastics to its list of chemicals that may be regulated under the state's Safer Consumer Products Program.

Pesticide Restriction and Fees

HCPA regularly monitors state proposals that would increase pesticide registration fees and works to ensure that revenues are dedicated to supporting initiatives that benefit registrants.

Many bills that HCPA tracked this session targeted restrictions on insecticides, herbicides, and rodenticides. Additionally, states aimed to reclassify neonicotinoids as restricted-use pesticides or fully remove neonicotinoid-derived products from the market.

HCPA was successful in defeating and mitigating a number of proposals that would prevent consumers from responsibly using pesticide products.



California Mill Assessment Increase

The California Department of Pesticide Regulation (DPR) recently concluded a study of the state's mill assessment, and HCPA expects a budget proposal in early 2024 that includes a substantial increase in the tax on pesticide sales.

In response to this development, HCPA is collaborating with member companies and stakeholders to recalibrate the funding and registration framework for DPR that would merge the mill assessment and implement designated timelines within the registration process.

California DPR Audit

In a proactive move to address the escalating concerns surrounding pesticide registration timelines, HCPA set in motion a significant audit of California's DPR, with a specific focus on registration procedures.

Authorized by the legislature's Joint Legislative Audit Committee, the audit is a critical component within a broader strategy to mitigate protracted timelines that have delayed pesticide registrations in the state.

The audit is projected to be finalized in spring 2024 and will potentially unveil key issues taking place behind the scenes at DPR.

California Proposal to Ban Specialty Products

HCPA opposed AB 1590, a legislative proposal aimed at establishing new environmental standards, rigorous compliance audits, and waste reduction and recycling protocols within the major coastal resort sector in California.

One of the bill's key provisions included a ban on the use of synthetic pesticides within these establishments, but it failed to secure sufficient support with the Assembly Natural Resources Committee

California Neonicotinoid Bill Scope Narrowed

AB 363, which initially centered on the evaluation and potential regulation of neonicotinoid products in nonagricultural settings in California, was modified in the final days of the legislative session into a ban on uses for outdoor ornamental plants, trees, or turf.

Leveraging engagement and collaboration with the bill's author in 2022, HCPA succeeded in influencing the bill's scope. The new law codifies a DPR evaluation of certain neonicotinoid applications.

California Rodent Reprive Trending

Despite major California cities being named among the "rattiest" in the country, in 2023, California enacted AB 1322, which imposes restrictions on the use of diphacinone, a substance recognized for effectively managing disease-carrying rodents. The new law builds on the existing framework aimed at restricting second-generation anticoagulant rodenticides (SGARs).

HCPA voiced its opposition to the bill and is prepared to fight a growing trend to regulate pesticides through legislatures, rather than following scientific expertise performed by relevant government agencies, such as DPR and the EPA.



Colorado Pesticide Law Included Exemptions

HCPA secured exemptions from restrictive provisions of SB 23-266, a new law in Colorado that regulates neonicotinoids.

HCPA played a pivotal role in advocating for amendments that directly influenced member company products despite provisions that would have severely limited consumer access to pesticidal products that are important to protecting public health and safety.

Stakeholders leveraged the passage of the bill to block efforts to codify and authorize municipal regulation of pesticides.

Hawaii Neonicotinoid Proposal Falls

HCPA helped defeat SB 1009 in Hawaii, which aimed to curtail neonicotinoids in consumer applications by designating them with a restricted-use status.

HPCA educated members of the Senate Committee on Agriculture and Environment about the unintended consequences of this policy, but still anticipates the bill to resurface in 2024.

Minnesota Pesticide Scheme Includes Exemptions

Legislation included exemptions for pet care and indoor pesticide products in Minnesota legislation that authorizes local governments to oversee certain pesticides with pollinator labels.

The legislation applies only to cities with populations exceeding 100,000, which include the state's key urban areas of Minneapolis, Saint Paul, Rochester, and Duluth.



Nevada Provides Detour for Consumer Products

After a two-year interval, Nevada revisited a legislative initiative to restrict neonicotinoids and retained crucial HCPA negotiated exemptions for consumer products, including specific outdoor applications. This year the proposal was successfully adopted by the legislature and subsequently signed into law. HCPA will continue to advocate for member companies as the state shapes forthcoming regulatory frameworks.

New Mexico Pest Management Bill Defeated

New Mexico's SB 161 proposed to adopt restrictions on common and important pest management tools that fall into the class of neonicotinoids. HCPA coordinated with in-state agricultural stakeholders to successfully defeat the bill; however, state legislative and regulatory action on neonicotinoids is expected to resurface in 2024.

Washington HCPA to Serve on Pesticide Advisory Board

Legislation signed by Washington State Governor Inslee established a Pesticide Advisory Board to counsel the Washington State Department of Agriculture on pesticide-related issues, including registration fees.

Highlighting the Association's commitment to participating in key government bodies, HCPA secured an amendment to serve on the Board as a representative from the household and commercial products sector. This effort aligns with HCPA's proactive advocacy work to establish transparent and accessible timelines for pesticide registrations in Washington State and will serve as a platform for the industry to convey its unique perspective on pesticide-related issues.



CHEMICALS MANAGEMENT

PFAS in Consumer Products

Heightened concern over potential health and environmental risks associated with some perfluoroalkyl and polyfluoroalkyl substances (PFAS) spurred legislative action against its use in consumer products, pesticidal products, and containers.

Minnesota took aggressive action on this issue, implementing stringent measures that prohibit product categories that contain PFAS, including cleaning products, enforcement of reporting obligations, and imposing constraints on pesticide registrations. California, New Hampshire, New York, and Washington followed suit by introducing legislation related to PFAS remediation, PFAS in drinking water systems, PFAS in products, and PFAS reporting.

In California, Minnesota, and Washington, PFAS in cleaning products garnered significant attention, setting the stage for a phase-out between 2026-2028 and raising important conversations around testing methodologies for compliance.

HCPA is working to inform policymakers about the nuances of certain product categories and how broad policy approaches could have an unintended consequence concerning accessibility to products important to public health and safety.

PFAS legislative campaigns have moved quickly, and states have adopted excessively broad definitions, resulting in a class approach to regulating this substance. Consequently, states are unable to distinguish between PFAS categories, use, function, exposure, and chemical properties and must treat the substance as a single regulatory group.

HCPA engagement on this issue has increased as legislative proposals capture many member company products. HCPA advocacy has amplified the need to follow the science, specifically calling for a national standard for PFAS, refined definitions, and testing protocols to mitigate supply chain disruptions.

Maine Grapples with PFAS Law

HCPA engagement on Maine's PFAS law has spotlighted the disruptive consequences stemming from state-led chemistry policy making. The statute has triggered robust engagement by manufacturers from around the world seeking answers to complex compliance concerns, which has overwhelmed state regulators. Accordingly, Maine enacted an amendment to the state's statute for regulating and reporting the intentional use of PFAS in products. The bill provided the Maine Department of Environmental Protection (DEP) with a new statutory deadline of January 1, 2025, giving regulated stakeholders additional time to navigate Maine's PFAS regulatory challenge.

Maryland Pesticide Testing Mandate Defeated

The Maryland General Assembly passed the Pesticides – PFAS Testing – Study bill, which requires the Maryland Department of Agriculture, in consultation with the Departments of Environment, and Health, and with the U.S. Environmental Protection Agency, to clarify several questions regarding how to best test for PFAS in pesticides. This study is meant to inform an anticipated 2024 bill that would restrict the use of PFAS-containing pesticides in state.

California PFAS Bill Vetoed

HCPA led a coalition to oppose AB 727, which would have prohibited the use of PFAS in cleaning products. Although the bill was vetoed by Governor Newsom, HCPA secured amendments that granted certain floor products an extended market transition, provided an additional year for universal compliance, and helped foster testing methods that are equipped with robust quality control procedures, thereby strengthening the accuracy and integrity of the process.

Minnesota Tackles PFAS

Minnesota lawmakers have positioned the state as a leading PFAS regulator by enacting a comprehensive law that restricts PFAS use across multiple sectors and phases out the substance in certain product categories by 2025, including cleaning and pesticide products.

Similar to Maine's approach, the bill also mandates the reporting of PFAS in products. HCPA is dedicating resources to engagement on the implementation of this new law through the state's Pollution Control Agency and Department of Agriculture.



Product Labeling

From California Proposition 65 to recyclability claims, 2023 brought no shortage of issues that could potentially impact product labeling changes for HCPA manufacturers.

Following California's 2021 enactment of a law banning "chasing arrows" recyclability claims law, states have considered similar legislation.

Additionally, municipalities concerned about stress on wastewater systems are supporting laws requiring non-flushable nonwoven disposable products to be labeled as "Do Not Flush."

HCPA continues to ensure that implementation of these laws remains consistent across state lines.

1,4-dioxane

HCPA monitored action in several states, including California, Connecticut, Massachusetts, and New York, as they moved to develop standards and guidance values for 1,4-dioxane in water, soil, and air across multiple regulatory programs.

Of continued interest to HCPA is the implementation of New York State Department of Environmental Conservation's (NYSDEC) law to establish a maximum allowable concentration of 1,4-dioxane in household cleaning, personal care, and cosmetic products.

This year, HCPA continued its engagement with New York regulators on waiver compliance as the law prohibits the distribution or sale of household cleansing products in New York that contain more than the designated trace concentration amount by December 2023.



New Jersey Targets Recyclability Claims

Targeting recyclability claims, a New Jersey bill intends to prohibit the sale, distribution, and import of certain products marketed as recyclable unless determined by the state.

HCPA is working with the Chemical Council of New Jersey to coordinate advocacy with legislators in opposition to this state-level mandate.

Washington Adjusts Do Not Flush Law

Employing a proactive approach to state-level policy making, HCPA successfully secured an author to introduce HB 1213 in Washington State. This deliberate move aimed to rectify the state's "Do Not Flush" law, ensure that federally regulated wipes comply with the state's labeling requirement, and allow sufficient time for compliance following EPA's registration process.

Colorado Do Not Flush Law

At the state level, 2023 has been marked by a deceleration in "Do Not Flush" labeling laws for wipes products, and Colorado has emerged as the latest entrant in the effort to codify this labeling mandate.

Similar to laws in other states before it, the new requirement in Colorado is aligned on key provisions that are important to HCPA member companies, including flexibility for pesticidal products in scope of the mandate.



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