

3/4/25 Testimony Senate Health and Welfare Kelly Ault, Executive Director, VOBA

I'm Kelly Ault, Executive Director of the Vermont Outdoor Business Alliance. Thank you, Chair Lyons and members of the committee, for inviting me to share our support of <u>H.238</u> as we conveyed on Act 131.

To re-introduce VOBA, we are a nonprofit with a mission to strengthen Vermont's values-led outdoor recreation sector balanced with environmental responsibility. Our 150 mostly small business members drive local economies, support healthy lifestyles, and protect natural and recreation resources. Vermont's 40 apparel manufacturers and 60 outdoor retailers could be impacted by H.238.

These Vermont businesses are fully committed to phasing out the intentionally added PFAS in apparel that has historically been used to protect users with qualities like water repellency, durability, and breathability. Manufacturers have been working hard for years to transition to non-fluorinated materials and have invested corporate resources in research and development, supply chain adjustments, production technologies, and consumer education.

In consulting with Vermont manufacturers which operate at the national and global level, retailers located in our communities serving resident and visitor outdoorists, and in working with national outdoor industry organizations, we ask that VT's PFAS law provide predictability, consistency and alignment with laws in other states (CA, NY, ME, CO.)

Our recommendations for H.238 to make phase out goals achievable:

"Intentionally Added"

Support for the definition of "intentionally added" in H.238 aligned with states and that doesn't make manufacturers responsible for byproducts and impurities from cross-contamination beyond their control.

Reinforce Support for the 2028 Deadline

VOBA recommends the July 1, 2028 timeline as adequate:

- Compliance with the 50 ppm TOF limit by manufacturers large and small that operate in multi-year production cycles of 18-24 months.
- Allowing the retail sell-down of already-produced inventory to ensure that products are not destroyed by landfilling or incineration. Preventing "stranded inventory" from becoming a source of significant pollution also limits economic harm to small businesses.
- 2028 precludes the need for express language on apparel designed for severe wet conditions matching timelines in CA and NY statute.

<u>Vermont Wants to Incentivize Textiles Recycling and the Growing Circularity Economy</u>

VOBA recommends adding back language exempting products with at least 50% recycled content to address the problem of textile waste.

- New apparel requires intense resource use from raw materials including fossil fuels, water, land, and chemicals.
- VOBA shares circularity goals with the State and supports the outdoor industry's circularity movement in recycling, repairing, resale, reuse, and sustainable disposal.

- More time is needed to develop the nascent nature of textile recycling technologies and systems. Current testing data from regenerated textiles reveals a 15% failure rate at 50 ppm TOF.
- States like CA are fast track processes by developing regulations establishing procedures and directing funding for textile recycling and reuse.
- The Responsible Textile Recovery Act (SB 707) in Oct 2024 established the first Extended Producer Responsibility ("EPR") program for textiles, apparel, footwear and travel goods in the US. It addresses collection, infrastructure, technology development and requires textile producers to take responsibility for their products' entire lifecycle. Similar bills have been introduced in NY and WA.

Including an interim exemption for recycled content will allow Vermont to benefit from regulation setting in other states and improved industry infrastructure, both incentivizing both phase out and the circular economy.

Outdoor Companies need Predictability and Consistency in Regulations

In summary, VOBA and Vermont's outdoor businesses are dedicated to sustainability and circularity and will continue to leverage corporate resources for social impact. A Vermont PFAS phase out that is aligned, predictable, and consistent with other states enables our best business stewards of Vermont's health and environment to prosper.

Thank you so much for your consideration of VOBA's PFAS recommendations for H.238.