



April 2, 2020

Mr. Ronald Owens
Office of the Governor
The Honorable Gretchen Whitmer
P.O. Box 30013
Lansing, Michigan 48909

Re: Request for Michigan's Beverage Container Deposit Program to Resume Operations

Dear Mr. Owens,

On behalf of our trade associations and member companies, we are expressing our desire for you to issue immediate clarifications to stakeholders and consumers regarding recent and temporary changes made to your beverage container deposit program, to reconsider action taken to suspend program operations, and to highlight the critical role Michigan's beverage container deposit program plays in supporting essential manufacturing business operations.

Beverage container redemption programs, including Michigan's, provide critical manufacturing inputs and feedstock for essential manufacturing businesses and their customers (food and beverage companies), as detailed in the CISA directive, issued by the Department of Homeland Security on November 19th.

The DHS CISA Memorandum explicitly states:

"If you work in a critical infrastructure industry, as defined by the Department of Homeland Security, such as healthcare services and pharmaceutical and food supply, you have a special responsibility to maintain your normal work schedule."

The importance of the CISA Memorandum is also highlighted in Michigan's Executive Order 2020-33.

While the nine other states with beverage container redemption programs have allowed flexibility with respect to retail redemption requirements and hours of operations, only the state of Michigan has completely shut down beverage container redemption program operations, and its connected critical supply chain.

Recycled Materials as Part of the Essential Manufacturing Supply Chain

To date, all issued local and state executive orders regarding essential businesses and shelter in place orders have recognized food and beverage manufacturing companies, along with their supply chain partners, as essential businesses and operations. This same supply chain includes companies that collect, process and otherwise handle recyclables across the country.

Beverage container deposit systems generally account for 20-60% of our collective materials input batch, and Michigan is a key beverage container deposit state.

The high quality of recyclables collected and purchased by our industries from these beverage container deposit programs are generally unmatched, require very little sortation and can go quickly back into our manufacturing processes. Simply put, as our industries have ramped up production to meet unprecedented demand for packaged food and beverages, a strong, dependable supply chain of recycled material is essential.

Beverage Container Deposit Program Enforcement Changes and Clarity

We understand the significant pressure on many of the retail and grocery outlets, as they keep pace with customer demand, and at the same time, protect the health of their workforce. As organizations representing essential manufacturing companies that supply the food and beverage packaging sold by grocery and retail outlets, our member companies are also addressing and adjusting to these challenges. There is no evidence that COVID-19 is spread or communicated through the population when beverage containers are returned and/or redeemed through deposit programs. In fact, there are viable redemption avenues, including reverse vending machines, that require very minimal or no contact between the returned container and the retail or redemption center employee.

Our Ask

We ask that Michigan consider the following, with respect to the beverage container deposit program:

- 1. Communicate that the beverage container redemption program has not been repealed, and remains state law.**
- 2. Quickly consider immediate reinstatement of the beverage container deposit program,** (with any necessary retailer redemption exemptions or operating hour adjustments), in a fashion similar to the other nine states with beverage container redemption programs. These adjustments should include adhering to guidelines and requirements for social distancing, limiting personal contact and increased sanitation/cleaning of the redemption operating centers.

3. Consider publishing a list (online resource) with updated information on return and/or redemption options during this temporary timeframe.

Finally, we ask for your engagement with the recycling and manufacturing supply chain industries regarding any future program operational changes, prior to implementation.

Our supply chain and manufacturing member companies rely on the high-quality recyclable materials provided by Michigan's beverage container deposit program. Ensuring a steady flow of recyclable materials through all our supply chains will greatly assist us in support of our food and beverage customers.

Thank you for considering our urgent request.

Robert Budway

Darrel Collier

Scott DeFife



President
Can Manufacturers Institute

Executive Director
National Association for
PET Container Resources

President
Glass Packaging Institute

Cc: Kara Cook, Policy Advisor to Governor Whitmer