

March 10, 2017

Joint Committee on the Environment Legislative Office Building Room 3500 Hartford, CT 06106

Testimony in Opposition to Senate Bill 996

Dear Members of the Committee:

On behalf of the Glass Packaging Institute (GPI), I am offering the following testimony in opposition Senate Bill 996, which would repeal Connecticut's bottle bill recycling program, and institute a 4-cent non-refundable tax on containers to support statewide recycling. GPI and our member companies strongly oppose repeal of Connecticut's bottle bill recycling program.

GPI is the North American trade association for the glass container manufacturers, glass recyclers, and suppliers of materials, equipment and transport to the industry. Collectively, the industry directly employs 18,000 Americans in glass container manufacturing and related recycling industries.

When glass plants can increase the levels of recycled glass as part of the overall batch mix, they can reduce furnace temperatures, resulting in reduced energy use and lower greenhouse gas emissions. The glass and other beverage containers recovered through the Connecticut program is of high quality, and in high demand by the glass container and other manufacturing industries. Collectively, the beverage container deposit program supports thousands of jobs at in-state redemption centers and related recycling businesses.

GPI member companies have a strong presence in Connecticut. Strategic Materials, Inc. operates a glass recycling facility in South Windsor, and processes much of the glass beverage containers recovered through the program. The glass container and recycling industry is also supported by the Emhart Glass Research Center located in Windsor, and the TOMRA North America facility in Shelton, which collects beverage containers through an extensive capital infrastructure, employing 100 people.

GPI estimates that up to 80% of recycled glass used in the glass container manufacturing process is sourced from the 10 states with beverage container deposit programs. Elimination of Connecticut's successful beverage container deposit program will decrease the quality of the recyclables collected. Up to 50% of the glass collected in a residential, single stream manner, will be sent to landfills for disposal, due to contamination and sorting challenges at the materials recovery facility.

Beverage container deposit programs achieve on average, much higher recovery rates for covered beverages. Redemption of containers within Connecticut's program is above

50%, well above the national average. Demand for quality, recycled glass by the glass container and other manufacturers across the country are very strong, with available and ready markets.

A prime reason for the success of beverage container recycling refund programs is that recovered containers are kept separate from other recyclables, drastically reducing contamination and providing them the best opportunity to return to a manufactured product.

Delaware's "Repeal and Replace" - Not a Model to Follow

Delaware is the only state to have ever repealed its bottle bill program, replacing it with a 4-cent tax on consumers at the point of purchase, in an effort to fund statewide recycling programs. As Senate Bill 996 takes a similar legislative approach, we highlight the fact that Delaware's efforts have not met expectations over the past four years.

- ➤ Revenue from the beverage tax in Delaware was designated to establish residential curbside recycling programs, but actual revenue has been much lower than anticipated. Revenue of \$22 million was predicted to result from Delaware's beverage tax, however only \$14 million was received. Of that, only \$8 million was given out in grants.
- This past July, the remaining \$5 million collected from the tax was sent back to the state's General Fund, effectively terminating the grant and recycling assistance program. Only 14 of the 57 localities in Delaware received direct grant money to improve and enhance their curbside recycling programs.
- ➤ The consolidated single stream collection of beverage containers, along with other recyclables has also led to an increase in contamination. According to the Container Recycling Institute, roughly 11,000 tons of collected recyclables in Delaware, including a high percentage of glass, are lost to landfills annually due to contamination.

GPI would like to thank you in advance for your thoughtful consideration of our testimony to Senate Bill 996.

Sincerely,

Lynn M. Bragg

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President