



February 12, 2018

The Honorable Rosalyn Baker, Chair
The Honorable Jill Tokuda, Vice Chair
Senate Committee on Commerce, Consumer Protection and Health

The Honorable Mike Gabbard, Chair
The Honorable Gil Riviere, Vice Chair
Senate Committee on Agriculture and Environment

State Capitol
415 South Beretania Street
Honolulu, HI 96813

Testimony in Support of SB 3099

Dear Chairs Baker & Gabbard, Vice Chairs Tokuda & Riviere:

On behalf of the Glass Packaging Institute (GPI), I am pleased to offer the following testimony **in support of Senate Bill 3099, which would create an 85% recycling rate benchmark by 2023.**

GPI is the North American trade association for the glass container manufacturers, glass recyclers, and suppliers of materials, equipment and transport to the industry. Our member companies produce the vast majority of US food and beverage glass containers purchased in grocery stores and retail outlets. Collectively, the industry directly employs 18,000 Americans in glass container manufacturing and related recycling industries in throughout the country.

GPI member companies purchase glass containers collected from Hawaii's bottle bill recycling program, which are re-melted to make new bottles and jars for food and beverages. Glass containers secured through Hawaii and the nine other states with bottle bill programs are of high quality, destined for manufacturing end markets including glass container manufacturing plants, as well as for use in fiberglass insulation.

The 85% benchmark would help improve Hawaii's beverage container recycling rate, which is down from nearly 80% in 2009, to 65% in 2017. This lower

recovery rate is similar to other states with a 5-cent deposit, an amount that has eroded in value due to inflation.

Oregon faced beverage container redemption rate declines similar to Hawaii's. As a result, in 2011, the legislature approved a bill that increased the value of the deposit to 10-cents per container, should the recovery rate not reach 80% by 2015.

Oregon's deposit increase (to 10-cents per covered container) went into effect in April of 2017. We believe that the 5-cent per container increase will significantly improve the recovery rate, however those numbers are not yet published. Hawaii may want to consider a similar approach, should the legislature find an increase in the deposit would incentivize higher recovery rates for the bottle bill program.

Higher redemption rates can help lower overall recycling costs, particularly for glass. The more beverage containers that can be collected through the deposit program, the more cities and towns save in local management costs (as these containers would not need to be sorted and processed through traditional curbside, single-stream collection). In addition to reducing contamination rates for curbside recyclables, less material would be destined for landfill disposal.

Thank you for your consideration of our testimony to Senate Bill 3099.

Sincerely,

A handwritten signature in black ink that reads "Lynn M. Bragg". The signature is written in a cursive style with a large, looped initial "L".

Lynn M. Bragg
President