



*March 20, 2018*

The Honorable Guy Vander Linden  
Chairman  
House Ways and Means Committee  
Iowa Capitol  
Room 102  
1007 E Grand Avenue  
Des Moines, IA 50319

### **Testimony in Opposition to House File 575**

Dear Chairman Vander Linden:

On behalf of the Glass Packaging Institute (GPI), **I write in opposition to House File 575**, which would repeal Iowa's bottle bill 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. The industry supplies America's leading beverage brands, and directly employs 18,000 Americans in glass container manufacturing and related recycling industries.

**Iowa's bottle bill recycling program is among the most successful in the nation, with roughly 71 percent of beverage containers redeemed each year.** The program keeps an estimated 1.65 billion containers out of landfills and waterways each year.

Glass bottles redeemed through Iowa's bottle bill program are recycled and processed by Iowa companies, and are part of a critical supply chain in the manufacture of glass containers and fiberglass insulation throughout the Midwest.

A reason for the success of bottle bill programs is that recovered containers are generally kept separate from other recyclables, drastically reducing contamination, preserving their value, and providing them the best opportunity to return to a manufactured product.

### **Repealing the Bottle Bill Would Increase Contamination of Iowa's Recyclables**

The entire recycling supply chain is experiencing enormous challenges, due to vastly increased quality specifications issued by the Chinese government. On January 1<sup>st</sup>, China put into place policies that permit no more than a 0.5% contamination rate for recyclables headed into their country. Largely because of China's policy, municipalities and states around the country have seen increased landfilling of recyclables, along with substantially lower prices received for recyclable commodities across the board.

For example, the “mixed paper” commodity now sells for \$5 per ton, down from \$75 per ton in August 2017. Similarly, corrugated cardboard is now selling for \$88 per ton, down from a high of \$180 in July 2017.

Repealing Iowa’s bottle bill program would place many of the currently covered beverage containers into single stream programs, exacerbate sorting challenges, and ultimately result in increased landfill disposal. **Simply put, there could be no worse time to repeal any program that produces quality recyclables with strong end markets.**

GPI and its members are supportive of grants, loans and other investments to improve recycling programs. However, as House File 575 would provide funding for future recycling infrastructure and collection programs, via a one-cent tax on beverage containers, we ask that legislators carefully consider the experience the state of Delaware had with a similar approach.

When Delaware’s beverage container tax was in place, revenue received by the state was consistently lower than anticipated. Delaware also experienced great difficulty in providing the money out in the form of grants to counties across the state, with more than half of their counties receiving no funding at all. In addition, over 10,000 tons of recyclables collected in single stream programs statewide continue to be lost to landfills each year, due to contamination related issues.

Thank you for your consideration of our testimony to House File 575. We look forward to continuing collaborative efforts to strengthen and support Iowa’s bottle bill program.

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

Cc: Members, Iowa House Ways and Means Committee