For a thriving New England

Conservation Law Foundation

CLF Rhode Island 235 Promenade Street Suite 560, Mailbox 28 Providence, RI 02908 P: 401.351.1102 F: 401.351.1130 www.clf.org

Via Electronic Mail

June 5, 2024

The Honorable David A. Bennett Chair, House Environment & Natural Resources Committee House Lounge, Rhode Island State House Providence, RI 02903

Re: CLF Supports House Bill No. 8312 - Beverage Container Deposit Recycling Act

Dear Chair Bennett:

The Conservation Law Foundation ("CLF") appreciates the opportunity to comment on House Bill No. 8312, the Beverage Container Deposit Recycling Act. We offer our enthusiastic support for this bill.

CLF is a member-supported non-profit advocacy organization working to protect public health and the environment and build healthy communities in Rhode Island and throughout New England. Through its Zero Waste Project, CLF aims to improve waste management through source reduction, recycling, and composting, and to protect our communities from the dangers posed by unsustainable waste management practices.

The Beverage Container Deposit Recycling Act would create a container deposit return system (also known as a "bottle bill") in Rhode Island. With a bottle bill, customers pay a deposit on every singleuse beverage container (like a water, soda, or beer bottle) that they purchase. They get that deposit back when they return the container. Through this incentive, bottle bills improve recycling and reduce litter.

The Problem: Litter and Waste

Every year in the US, \$5.1 billion in valuable and reclaimable beverage containers are lost to litter, incinerators, and landfills.¹ In the Northeast region of the United States alone, 463,000 tons of recyclable plastic, aluminum, and glass beverage containers, including 70 million individual "nips," are littered and/or wasted each year when they could have be collected and recycled instead.² One powerful solution to this problem is the bottle bill.

¹ Northeast Reimaging the Bottle Bill, RELOOP, available at https://bottlebillreimagined.org/wp-

content/uploads/2022/06/Reimagining-the-Bottle-Bill-FINAL-JUNE-2022.pdf (last visited June 4, 2024).

² Id.



Why a Bottle Bill for Rhode Island?

Quite simply, bottle bills incentivize good, clean, effective recycling strategies. Already, four out of the six New England states have bottle bills.³ States like Maine and Vermont collect more than 75% of their cans and bottles for recycling, while Rhode Island collects only about 39% of its containers.⁴ Meanwhile, Rhode Island buries approximately *13,400 tons* of glass, plastic, and metal bottles and cans in the Central Landfill every year.⁵

People who purchase beverage containers covered by a bottle bill have a financial incentive to return empty containers to redemption centers or retailers for recycling. According to the Container Recycling Institute, states with beverage container redemption programs recycled aluminum, polyethylene terephthalate ("PET"), and glass at a rate of 77%, 57%, and 66% respectively.⁶ Conversely, states without container redemption programs recycled these materials at much lower rates: 36% for aluminum, 17% for PET, and 22% for glass.⁷

More Materials Diverted to Recycling

Deposit return systems produce cleaner materials than curbside recycling does, which means that beverage containers will be recycled more effectively, safely, and for a higher value. Whether we are dealing with food scraps, paper products, or beverage containers, no recycling system works better than source separation.⁸ When it comes to beverage containers, "[e]ffective source separation supports the highest and best use of materials and cleaner feedstock for producing recycled materials because there is less contamination."⁹ Because mixing beverage containers in with curbside recycling leads to their contamination, the best-case scenario is that those materials will be "downcycled" into other products rather than recycled into beverage containers;¹⁰ at worst, they end up in landfills and

⁷ Id.

⁹ Id.

³ Olivia Synoracki, Conservation Law Foundation, *Comparing New England's Bottle Return Programs*, https://www.clf.org/blog/comparing-new-england-bottle-return/.

⁴ DSM Environmental, Analysis of Beverage Container Redemption System Options to Increase Municipal Recycling in Rhode Island 9 (2009).

⁵ Mary Lhowe, *New Bottle Bill Lands in House*, ECORI (May 30, 2024), *available at* https://ecori.org/new-bottle-bill-lands-in-house-would-add-10-cent-deposit-on-beverage-containers-including-nips/

⁶ 2019 U.S. Nominal Recycling Rates by Deposit Status, CONTAINER RECYCLING INSTITUTE (2022), available at https://www.container-recycling.org/index.php?option=com_content&view=article&id=730&Itemid=1372.

⁸ Contracting Best Practices: Source Separation Requirement or Preference, ENVIRONMENTAL PROTECTION AGENCY (Feb. 12, 2021), available at https://www.epa.gov/transforming-waste-tool/contracting-best-practices-source-separation-requirement-or-preference (describing the advantages of source separation: best use of materials, increased diversion from composting, higher recycling revenues, and community education).

¹⁰ *PET downcycling is not circularity – the case for closed-loop recycling*, EURACTIV (July 22, 2022), available at <u>PET downcycling is not circularity – the case for closed-loop recycling – EURACTIV.com</u>.



incinerators or gobbled up by the petrochemical industry and used as feedstock for toxic fuels.¹¹ In fact, 25% of what consumers put into single-stream recycling bins is too contaminated to be recycled at all, and ultimately ends up in landfills.¹²

According to the Rhode Island Resource Recovery Corporation's most recent report, the statewide recycling rate was 29.6%. That is well under the 35% target set by a 2012 state law.¹³ The bottle bill soundly addresses this problem by offering the route of least contamination for recycling aluminum, glass, and plastic beverage containers.

Less Litter

Increased recycling also means less litter across Rhode Island's roadways, parks, rivers, beaches, and other spaces. States with deposit return systems have total litter rates that are 30% lower and beverage container litter rates that are more than 70% lower than states without redemption programs.¹⁴ Rhode Island, as a coastal state, is particularly impacted by the absence of a bottle bill, because "[b]y weight and volume, beverage containers are the number one item found littered in coastal areas in the US and around the world."¹⁵ A bottle bill is the best policy option for reducing litter across Rhode Island, with H-8312 covering all beverage types except for milk and formula, and containers as small as nips and as large as three liter plastic soda bottles.

Nips are among the most frequently picked up items during beach cleanups and other litter collection events.¹⁶ Because of their small size, nips are difficult to sort from the rest of recycling at Rhode Island's Materials Recycling Facility. With a deposit return system that covers nips, however, Rhode Island could see the recycling rate of nips jump from 0% to 89%.¹⁷

¹³ 2023 How is My City or Town Doing? Municipal Recycling, Composting and Waste Diversion in Rhode Island, Rhode Island Resource Recovery Corporation (April 4, 2022), available at https://rirrc.org/sites/default/files/2023%20How%20Is%20My%20City%20Or%20Town%20Doing%2020240402.pdf; see

https://rirrc.org/sites/default/files/2023%20How%20Is%20My%20City%20Or%20Town%20Doing%2020240402.pdf; see also RI Gen. Laws § 23-18.9-1.

¹⁴ Northeast Reimaging the Bottle Bill, Reloop, supra note 1.

¹⁵ Id.

¹¹ Sharon Lerner, *This "Climate-Friendly" Fuel Comes With an Astronomical Cancer Risk*, PROPUBLICA (Feb. 23, 2023), *available at* https://www.propublica.org/article/chevron-pascagoula-pollution-future-cancer-risk (discussing how the production of fuel from discarded plastics emits air pollution so toxic that "1 out of 4 people exposed to it over a lifetime could get cancer").

¹² Maggie Koerth, *The Era of Easy Recycling May be Coming to an End*, FIVETHIRTYEIGHT (Jan. 10, 2019), *available at* https://fivethirtyeight.com/features/the-era-of-easy-recycling-may-be-coming-to-an-end.

¹⁶ See, e.g., Save the Bay, 2019 International Coastal Cleanup: Rhode Island Report & Call to Action, https://www.savebay.org/wp-content/uploads/ICC-Brochure-for-WEB.pdf.

¹⁷ Northeast Reimaging the Bottle Bill, Reloop, supra note 1.



How Does It Work?

Under H-8312, a retailer would pay a 10-cent deposit to a beverage distributor for each container. Customers would then pay the 10-cent deposit for every single-use beverage container they purchase from a retailer. Consumers would get that deposit back when they return the empty container to a retailer or independent redemption center for recycling. Those retailers and redemption centers turn over the collected containers to a beverage distributor. The distributor reimburses the retailer or redemption center for the deposits, pays a handling fee, and sells the source-separated containers to recyclers or reuses containers.

This deposit-and-return system would be managed by a producer responsibility organization ("PRO") created by the bill. The PRO would be a nonprofit organization with oversight and accountability from the Rhode Island Department of Environmental Management ("DEM"), as well as the public. The PRO would propose and run the system by establishing statewide access for beverage container redemption and processing mechanisms. H-8312 stipulates mandatory reporting from the PRO to the state, which is important for ensuring the system's efficacy and transparency.

Through a fee issued to its members, the PRO pays for operating the system. Because the fee is proportional to the number of beverages a member sells, H-8312 would not disproportionally impact small retailers with costs. The handling fee, paid by the distributor, supports the collection work and ensures that companies producing all these containers bear some responsibility for recycling them. While H-8312 does not set a specific handling fee, a 3.5-cent handling fee would allow Rhode Island to keep pace with states like New York, Maine, and Vermont, which have handling fees between 3.5 and 4.5 cents.

Importantly, H-8312 sets clear, phased-in targets for redemption. Beginning with a target of 70% redemption of applicable containers two years after the program begins, the PRO will have to ensure that after eight years of the program, the redemption rate will be at least 90% annually.

Will It Be Effective?

Yes. States with bottle bills collect and recycle far more beverage containers than states without bottle bills. And bottle bills significantly reduce litter. After Hawaii implemented a bottle bill in 2005, the number of beverage containers collected during Hawaii's International Coastal Cleanup fell from 23,471 in 2004 to 10,905 in 2007—a 53.5 percent drop over just three years.¹⁸ The deposit is a powerful incentive to return bottles and cans to be recycled. Moreover, bottle bills create jobs. Studies have shown that redemption programs can support more than *30 times* as many jobs as curbside recycling.¹⁹

¹⁸ Haw. Dep't of Health, Report to the Twenty-Fifth Legislature 9 (2009).

¹⁹ See Jeffrey Morris and Clarissa Morawski, Container Recycling Institute, *Returning to Work: Understanding the Domestic Jobs Impacts from Different Methods of Recycling Beverage Containers* 11 (2011), http://www.container-



Why 10 cents?

A 5-cent deposit is too small an incentive to support robust redemption rates. Massachusetts has a 5cent deposits, and they only collect around 50% of their containers. Massachusetts is working to increase their deposits to 10 cents, which Connecticut just did. Two U.S. states with 10-cent deposits on beverage containers—Michigan and Oregon—have redemption rates at or above 90 percent.²⁰ With a 90% redemption rate, a bottle redemption program in Rhode Island could divert more than 15,000 tons of waste containers from the Central Landfill every year. H-8312 also provides for an increase of the refund value to 15 cents for each beverage container if redemption rates do not reach specific targets after 10 years.

What if People Bring Containers from Connecticut and Massachusetts Here?

H-8312 prohibits knowingly redeeming beverage containers that were not sold in Rhode Island. The bill permits bottlers to use state-specific labels on bottles and cans, so that retailers and redemption centers can spot containers that were not sold in-state. By also allowing barcodes on containers, containers could be automatically identified as coming from Rhode Island.

Importantly, under H-8312 no retailers or distributors can lose money because of cross-border redemption. Retailers are compensated by distributors for deposits, so redemption of out-of-state containers cannot impact them financially; any distributor that pays more in deposits than it collects will be compensated out of the unclaimed deposit fund; and the PRO is not required to pay refunds on material that it reasonably believes was bought in another state.

Reaching the State's Climate Targets

By diverting more materials from landfills and reducing greenhouse gas ("GHG") emissions from the beverage industry, a bottle bill in Rhode Island would also promote the State's 2021 Act on Climate, which set mandatory, enforceable emissions reduction targets in order to achieve a net-zero economy by 2050.²¹ If all of the New England states had high-performing bottle bills, about 463,000 additional tons of material would be diverted from landfilling and incineration each year.²² By keeping beverage

recycling.org/assets/pdfs/reports/2011-ReturningToWork.pdf; Sarah Edwards, Eunomia Research and Consulting, Inc., *Employment and Economic Impact of Container Deposits*, table E1 (2019).

²⁰ See Genevieve Grippo, An Effort to Dramatically Expand Michigan's Bottle Deposit Law is Back, Newschannel 3, Dec. 29, 2019, https://wwmt.com/news/local/an-effort-to-dramatically-expand-michigans-bottle-deposit-law-is-back; Cassandra Profita, Oregon Bottle Deposit System Hits 90 Percent Redemption Rate, NPR (Feb. 4, 2019),

https://www.npr.org/sections/thesalt/2019/02/04/688656261/oregon-bottle-deposit-system-hits-90-percent-redemption-rate.

²¹See R.I. Gen. Laws § 42-6.2-1–12.

²² Northeast Reimaging the Bottle Bill, Reloop, supra note 1.



containers out of Rhode Island's landfills, a bottle bill will help the State reduce GHG emissions and meet its climate goals.

Now Is the Time to Act.

Rhode Island needs a bottle bill now. H-8312 would improve recycling; decrease litter; protect our land, rivers, and oceans; and provide green local jobs. It would also help Rhode Island address our growing plastics crisis. In 2017, fewer than 6% of the 5.9 *billion* pounds of PET (polyethylene terephthalate) bottles sold in the U.S. were recycled into new bottles.²³ The failure to meaningfully recycle plastic bottles contributes to the exponential growth in worldwide plastics production, which is projected to rise from 837 billion pounds produced in 2015 to almost 4 *trillion* pounds in 2050.²⁴ This year, Rhode Island must join other New England states in tackling the mounting litter and waste crises by enacting a bottle bill. Retailers and beverage companies need to have some shared responsibility in being part of the solution to litter and waste.

H-8312 would be a win for every Rhode Islander. Anyone who claims otherwise is benefitting financially from the existing unsustainable waste management practices that are clogging our waterways and costing our municipalities a fortune. Because there can be no doubt that our collective wellbeing depends on how we manage the environment today, CLF respectfully urges the passage of H-8312. We simply cannot afford any alternatives.

Thank you for your time and consideration of this testimony.

Respectfully submitted,

4 Rom

Erin Ritter Program Assistant, Rhode Island Conservation Law Foundation

cc: Members of the House Environment & Natural Resources Committee Representative Joseph McNamara Darrèll Brown, Vice President, Rhode Island, Conservation Law Foundation

²³ See NAPCOR, Report on Postconsumer PET Container Recycling Activity 4 (2018), https://napcor.com/wp-content/uploads/2018/11/NAPCOR_2017RateReport_FINAL.pdf.

²⁴ David Azouly, *Plastic & Health: The Hidden Costs of a Plastic Planet* 6 (2019), https://www.ciel.org/wp-content/uploads/2019/02/Plastic-and-Health-The-Hidden-Costs-of-a-Plastic-Planet-February-2019.pdf.