



June 5, 2024

The Honorable David Bennett
Chair
House Committee on Environment and Natural Resources
House Lounge - Rhode Island State House
82 Smith Street
Providence, RI 02903

Re: Testimony for House Bill 8312

Dear Chair Bennett and Members of the Committee:

On behalf of the Glass Packaging Institute (GPI), I am pleased to provide information and our perspective on the **H. 8312**, the Beverage Container Deposit Recycling Act (BCDRA), which would establish bottle deposit return system for glass and other beverage containers.

As we highlight in our testimony, GPI is supportive of properly structured deposit return systems/bottle bill programs and have suggested recommendations for the Committee and legislature to consider for **H. 8312, but we must oppose the bill in its current form.**

Glass Container Recycling Background

Glass is a core circular packaging material - reusable, refillable, and endlessly recyclable. The vast majority of glass containers are for food or beverage products, and glass is the only packaging material generally recognized as safe (GRAS) by FDA for all food and beverage products. Public sentiment strongly rates glass as one of the most supported materials in the recycling stream, and glass has the strongest profile to aid in refillable beverage systems.

The glass container manufacturing industry has a significant stake in the effectiveness of glass recycling programs. Recycled glass is a key component of the manufacturing process. The industry purchases about 2.3 million tons of recycled glass each year. For every 10% of recycled glass added to the batch mix, energy usage can be reduced 2-3 percent, with additional corresponding reductions in greenhouse gas emissions.

GPI Supports Properly Structured Deposit Return Systems (aka Bottle Bill Laws)

Recycling collection programs largely dictate the value of and outcome of glass beverage containers. Contamination and quality are key differentiators to the value and potential end- markets for recycled glass.

We estimate that nearly 60 percent of the glass recycled that makes it back to a container plant for reuse originates from the ten bottle bills states, which provide the highest volume of clean, source-separated glass. This separation drastically reduces contamination, increases the value, and provides the best opportunity to return the glass to a manufactured product.

Critically, containers recovered in a deposit return system avoid the most common fate and costs associated with glass in the commingled single-stream system, which is purposeful or passive landfill disposal. Curbside material that flows through many material recovery facilities *can* be recycled into new containers, and several MRFs do so quite well, but it is completely dependent on the capabilities of the facility receiving the material and the yield is far lower. As the majority of glass beverage container are covered under bottle bill programs, these outcomes can be, and are avoided.

Deposit return systems preserve positive recyclable commodity market value of the glass, dramatically increases yield from the bottle, and ensures the potential of highest best use, while also allowing for a broader variety of end-market uses that include the same ones as single-stream recycling programs.

Recommendations to Improve H 8312

For the Committee's consideration, GPI is pleased to provide the following recommendations to improve the structure and effectiveness of H 8312.

Retail Obligation, Redemption Centers, Reverse Vending Machine

Absent from the legislation is any mention of redemption center placement and framework, as well as opportunities for reverse vending machines, which would help to ensure consumer convenience for redemption and return purposes. While GPI does not believe the bill must require all stores to physically take returns inside premises, the retail sector must have an obligation to be a part of the solution in helping the PRO to establish the locations of the redemption infrastructure. States with beverage container deposit return programs in place should utilize a variety of RVMs, bag drop, and in person redemption centers ensure high beverage container redemption.

Container Recycling Quality and payments to Commingled Curbside MRFs

The primary reason GPI, and many other organizations and companies representing beverage container manufacturers support deposit return programs is the separation and resulting quality of redeemed beverage containers. These recycling and return streams ensure higher quality material, more suitable for re-use in the beverage container manufacturing process. It would also eliminate any concern for end markets for covered beverage container categories.

A key factor in the success of deposit return system success at delivering quality material as a feedstock for manufacturing into new bottles is quality. The goal is to get the material out of the commingled, contaminated curbside stream and collected

separately. GPI is opposed to systems that pay commingled curbside material recovery facilities any part of the redemption value for poor quality glass. Every incentive should be made to get consumers to avoid tossing their redeemable containers in the curbside system, not incentivize it. Otherwise, the program is merely a subsidy for poor quality curbside material under the guise of a bottle deposit/recycling refund system.

Furthermore, as GPI has been engaging with policymakers in the New England region for the past several years, the presence of five other state container deposit systems in neighboring states has created a network infrastructure of glass recycling in the area that can already process cleaner streams of recovered glass. Rhode Island glass in a prospective deposit return system can be processed with value and returned to the supply chain if recovered in cleaner streams. The addition of deposit cost to the allowance of credit for material in curbside does not improve glass quality.

Minimum Deposit Refund Value

GPI supports the minimum 10-cent deposit on covered beverage containers. States with a 10-cent deposit experience overall higher volumes of redemption. The two states with the highest redemption rate (Michigan and Oregon) both carry a minimum 10 cent deposit on covered containers. The most recent return rates (2022) were 76% and 86%, respectively. It has been shown, however, that larger containers, regardless of material, may need a higher deposit to encourage more consumers to redeem.

Beverage Container Types Covered

Covered beverage containers are defined in **H. 8312** as a prepackaged container “designed to hold a beverage that is made of any material, including glass, plastic, and metal, or a combination thereof”.

While cartons and multi-material aseptic packaging may qualify for coverage within this definition, we encourage appropriate amendments to the legislation to ensure aseptic, gable top and similar beverage containers are more clearly identified and classified as being covered beverage containers, or not, under the program.

Furthermore, GPI is opposed to some of the provisions in the bill that seem to incentivize producers/brands into using higher commodity value material for their packaging, by including statutory credits based on type of packaging used.

Producer Responsibility Organization (PRO)

GPI recommends inclusion and creation of an Advisory Board, to include representatives of covered container packaging, to complement and support the PRO. Beverage container manufacturing companies have tremendous experience and knowledge of the country’s 10 existing container deposit recycling systems and can bring this insight as the program is developed.

Reuse and Refill provisions

GPI supports systems that seek to use more glass in a reuse/refill system and believes that one of the first steps to creating such a system is the existence of a bottle deposit and return system to help incentivize the recovery of those containers. Glass is ideally suited to this task, as non-toxic, easy to wash and sterilize, and durable enough to make several trips through a return system. However, building such a system requires substantial additional investment on top of starting a new bottle bill, and the Rhode Island market size lends itself to more of a regional approach. To achieve ten to fifteen percent reuse within 12 years will require more explicit investments for washing and reverse logistics.

Post-Consumer Recycled Content Requirements for Glass and Other Covered Beverage Container Types

Generally, we feel that bottles deposit return or recycling refund laws should focus on establishing a recovery system and not venture into the complexities of how containers are made. If the state feels compelled to have recycled content requirements in the legislation, some of the language in this bill is acceptable, but there needs to be a mechanism to ensure that the material does in fact have a chance to be returned to the supply chain for making new bottles, and not siphoned off for down-cycled products that use recycled content.

GPI and its member companies look forward to additional opportunities to engage with the legislature on H. 8312 and other recycling related issues.

Thank you for your consideration of our comments.

Sincerely,



Scott DeFife
President