



To: Senate Committee on Natural Resources and Energy
From: Paul Burns, Executive Director, VPIRG
RE: S.208
Date: February 26, 2014

Chairman Hartwell and Members of the Committee, thank you for the opportunity to testify today regarding S.208. For the record, my name is Paul Burns and I'm the executive director of the Vermont Public Interest Research Group (VPIRG). VPIRG is the largest consumer and environmental advocacy group in the state with more than 30,000 members and supporters.

Though VPIRG is in support of certain provisions in this bill, overall we must oppose the legislation as written because it represents a direct threat to Vermont's most successful recycling program of the past 40 years – the Bottle Bill.

Among the specific provisions of S.208 that VPIRG supports is the inclusion of an increased franchise fee to help fund the implementation of Act 148. The legislature set ambitious and laudable goals to increase recycling, composting, and more in that legislation, and providing funding to ramp up those programs is critical. We also support the Agency of Natural Resource's request to increase the waste tax by \$7/ton. That fee hasn't been increased in over twenty years, and this is an appropriate way to raise revenue for this program.

More significantly, however, this legislation will undermine Vermont's popular Bottle Bill recycling program. We strongly oppose provisions in the bill that would curtail the success of the Bottle Bill program by repealing the deposit on liquor bottles and all beverage containers greater than one liter in size.

VPIRG has supported the Bottle Bill since our organization was founded in 1972. And we defend it today because it is far and away the most effective recycling program that the state has known over the past four decades.

Public Support

The people of Vermont love the Bottle Bill, and they know that it works. According to scientific survey conducted on our behalf in 2010, 93 percent of Vermonters supported the Bottle Bill. Fully 75 percent felt strongly that the Bottle Bill was a good idea. Just 4 percent felt that it was a bad idea. And 86 percent wanted to see it expanded to cover more materials.

The Bottle Bill is not only good for recycling and litter prevention, it creates and sustains many jobs in Vermont. It helps to curb greenhouse gas emissions. And it's an important source of revenue for a number of individual Vermonters, as well as nonprofit organizations, kids' scouting groups and Little League teams.

Benefits of the Bottle Bill

As part of our testimony today I offer a separate letter signed by the following groups: Audubon Vermont, Center for Biological Diversity, Conservation Law Foundation, Sierra Club – Vermont Chapter, Toxics Action Center, Vermont Conservation Voters, Vermont Natural Resources Council and VPIRG. The letter outlines the numerous environmental and community benefits of the Bottle Bill, and encourages its expansion.

Consider the fact that more than 75 percent of the bottles and cans covered under Vermont's bottle redemption program are recycled. Only about 34 percent of other recyclables are actually recycled in Vermont. Since it was enacted more than 40 years ago, the Bottle Bill has kept literally billions of bottles and cans off our roadsides and out of our landfills.¹ In other words, this program has done exactly what it was intended to do.

Well, you might say, that was all well and good 40 years ago before we had curbside recycling widely available. VPIRG supports recycling of all sorts, including curbside. Indeed, it's critical for many household-generated materials like paper and other packaging. But when it comes to beverage container recovery, curbside programs are nowhere near as effective as a Bottle Bill.

Today, an estimated 30-50 percent of all beverages in Vermont are consumed away-from-home: at work, in restaurants, in shopping malls, at sporting events, in parks and in recreation areas.² Therefore, no matter how broadly available the residential recycling program is, if the container is consumed away-from-home, there's a good chance it won't be recycled without a Bottle Bill in place. We all hope that recycling rates overall will improve with the implementation of Act 148, but as yet there is no reason to believe that the increased availability of public recycling opportunities will meet, much less surpass the redemption rate now achieved under the Bottle Bill.

How effective is the Bottle Bill at collecting these beverage containers? Hawaii provides us a good example with recent data. A deposit-return program was introduced there in October 2002. The number of metal cans and bottles of glass and plastic in the litter stream was reduced by 39% (on a unit count basis) five years after the deposit return program was introduced.³ This is further supported by data from states across the country, where recycling rates for beverage containers in non-deposit programs are usually less than 25%. This is in stark contrast to recycling rates for containers in deposit return programs which are generally greater than 75%.⁴

Compatibility with Curbside Recycling

Given the path that Vermont is on to expand the availability of residential recycling, it's important to dispel the myth that the Bottle Bill is somehow incompatible with curbside recycling. In fact, the two programs can work well together as is demonstrated in Ontario, Canada, among many other places.

Ontario has mandated residential curbside recycling for the past twenty years. The current system provides access to more than 95% of the population. Just seven years ago a deposit was added to wine and liquor bottles in the province. Municipalities pressed for this change in order to remove costly glass

containers from their curbside programs. Now costs are down for the curbside programs and the recycling rate has increased substantially for the liquor and wine containers.

Additional examples of bottle redemption programs working in harmony with residential curbside programs can be found in the report VPIRG released one year ago with Container Recycling Institute called, A Clean and Green Vermont: A Special Report on the Environmental and Economic Benefits of Vermont's Bottle Bill (copies provided to the committee).

The Story of Glass

Another major reason that VPIRG supports the bottle bill is the quality of material collected is significantly higher as opposed to single stream recycling.

We need only consider the recent example of Rhode Island. A few years ago, pushed by the beverage industry, Rhode Island turned down a proposed Bottle Bill in favor of mandatory single-stream curbside recycling. Yet as of last year, most of the glass collected in Rhode Island was unusable, and the state saw only marginal gains in overall recycling despite millions of state dollars invested. The state spent \$17 million retrofitting the Rhode Island Resource Recovery Corporation (RIRRC)'s single-stream MRF. According to the most recent information we have, the RIRRC is sending all of its curbside glass to the local landfill (where it is used as "daily cover") because it cannot find a market for it. So even though Rhode Islanders are diligently separating their bottles and jars, none of it actually gets recycled.

In Vermont, glass jars that consumers place in their single stream bins for recycling is typically too contaminated to be recycled into a new glass container. Instead, it is often used for lower end (and less valuable) purposes such as road construction material.

Regarding the Elimination of the Deposit on Liquor Bottles

Repealing the deposit on liquor bottles in particular would have the effect of reducing the number of bottles brought in for recycling while also increasing the contamination rate of the material. Therefore, it would be less valuable.

The cost of recycling the liquor bottles is relatively modest – a net cost of about \$190,000 annually. According to testimony from CRI submitted to the Committee, that amounts to less than one-third of one percent of annual revenues of Vermont's Department of Liquor Control program. Furthermore, we understand that the Department is looking into greater efficiencies that could save the program additional dollars.

A repeal of the Bottle Bill in Vermont – in whole or in part – threatens not only one of the state's most important environmental laws, but a program that is now ingrained in our culture. We appreciate the work you are doing with regard to Act. 148 implementation, but urge you not to repeal or weaken in any way a program that has been an unqualified success for Vermont. The Bottle Bill increases recycling, reduces energy use, lowers greenhouse gas emissions, reduces litter, creates jobs, and puts money into the pockets of local business owners, civic groups and charities.

I thank you for the opportunity to testify today and would be happy to answer any questions.

¹*A Clean and Green Vermont: A Special Report on the Environmental and Economic Impacts of Vermont's Bottle Bill. Prepared by Container Recycling Institute and Vermont Public Interest Research Group, February 28, 2013*

²*Away-from-home consumption of beverage containers is estimated to be between 30%-63% for plastic bottles; 13%-75% for aluminum cans; and 25%-55% for glass bottles. See all studies and methodologies that reference away-from-home ratios at: www.cmconsultinginc.com, *Who Pays What*, 2010, page 17, *Away-from-home market shares*. The American Beverage Association (ABA) suggests an away-from-home consumption rate of 30%, but does not specify by container or beverage type.*

³*The Activities of the deposit Beverage Container Program, Report to the Twenty-Fifth Legislature State of Hawaii 2009, Prepared by State of Hawaii Department of Health, 2008.*

⁴ *Source: Container Recycling Institute (CRI)*

⁵ *Source: beer store annual 2011-2012 and BB Fee Calculation model 2013, Table 1, Recovery and Generation, 2011, Stewardship Ontario.*

⁶*The Battle for Recycling*. Resource Recycling Magazine, February, 2013. Note: This research is consistent with research in the UK. See *Kerbside recycling: indicative costs and performance*, WRAP, 2008

⁷*Vermonters' Views of the Bottle Bill and Plans to Expand or Repeal It: Report of Findings from a Survey of 400 Vermont Voters Statewide. Prepared for Vermont Public Interest Research Group by Grove Insight, November 2010.*