

April 18, 2018

Dear Chairman Deen and Committee Members,

After hearing today's testimony, I would like to make a few points regarding charging for recycling and taking the escheats from the distributors.

As I explained during my testimony on March 14<sup>th</sup> to the committee, the CSWD Materials Recovery Facility (MRF) is currently losing money because of the drastic drop in markets for recycled paper due to the China's National Sword. We will be raising the tip fee on May 1 to more than double what it currently is for out-of-district recyclables to help cover the costs for lost revenue from the sale of paper. But even with this tip fee increase, markets for paper are on such a decline, we are now projecting the increase will not cover our costs and we will have to consider our options including another tip fee increase for funding the processing facility.

CSWD also has six drop-off centers that collect trash and recycling. These facilities receive "recycling only" from customers every day. Act 148 does not allow us to recover our costs for recycling which have drastically increased since the passage of Act 148. We strongly support that S.285 allows solid waste facilities to charge for recycling to cover the costs for facilities and level the playing field for haulers.

Escheats – CSWD does not have a position on the current bottle bill system. It has been in place for 40 years, well before we were established as an organization and put in place a comprehensive recycling program. We have learned to work alongside the bottle bill. However, if the bottle bill is expanded to include more products that include plastic beverage containers and aluminum, our recycling system will get more expensive. We count on the revenue from this material to pay for the processing and marketing of the less valuable materials such as paper and glass.

Rather than looking at escheats or expansion of the bottle bill, CSWD would like to see a broader conversation on ALL packaging not just on beverage containers. We think we could have an EPR program that would be a better system that could not only help reduce non-recyclable packaging but it could fund the entire recycling system. These EPR programs for packaging are already in place in Canada and Europe:

[http://c.ymcdn.com/sites/productstewardship.siteym.com/resource/resmgr/PSI\\_Reports/2014.04.01 - PSI-PAC NEXT Su.pdf](http://c.ymcdn.com/sites/productstewardship.siteym.com/resource/resmgr/PSI_Reports/2014.04.01_-_PSI-PAC_NEXT_Su.pdf)

<http://www.europen-packaging.eu/policy/9-extended-producer-responsibility.html>

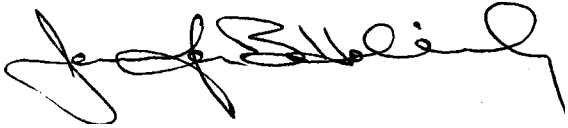
These programs recover a similar percentage of ALL packaging that the VT bottle bill recovers and could work with the existing bottle bill as well.

In 2009, the Vermont House introduced an EPR bill for packaging ([H.696](#)). Unfortunately the bill included the repeal of the bottle bill which made it too controversial to have a real discussion about EPR for packaging. There

are many interested stakeholders that want to explore EPR for packaging in Vermont and there seems to be an appetite with legislators. Taking the escheats will provide an incentive to legislators to expand the existing bottle bill which could remove valuable material from the existing recycling system and complicate the conversation and consideration of EPR for packaging in the state.

Thank you for your consideration.

Jennifer Holliday,

A handwritten signature in black ink, appearing to read "Jennifer Holliday", written in a cursive style.

Compliance and Product Stewardship Manager