

To: Senate Committee on Natural Resources and Energy

RE: S.287 - Addition of wine bottles as part of the container redemption system

17 January 2018

The Vermont Grape and Wine Council would like to express our concern with and opposition to the proposed addition of wine bottles to the current redemption system. The change will place an undue burden on many of our State's small businesses and will add more reporting and work with little return to the State or our environment.

In order to fully comply with Chapter 53 of 10 V.S.A. the State would compel small manufacturers of wine to pick up their containers all across the State, even if the manufacturer produces only a small quantity of wine. Imagine a producer from the Northeast Kingdom having to drive to Brattleboro to pick up six bottles. The fine for not complying is \$1,000 per instance. A small producer will also have to register their products with Agency of Natural Resources, collect the bottle deposit and add another report and accounting step to an already highly regulated business.

We support recycling one hundred percent. However, the addition of wine bottles to this system will create myriad levels of complication that will affect not only our State's wineries but also all of the redemption centers and waste haulers who will now need to add additional sorting capacity to separate out each individual producers' packaging. Wine bottles do not end up on the roadsides of Vermont. The vast majority of wine bottles are already recycled. If that is not working then let's fix the system instead of creating another one.

Vermont currently licenses 27 wineries throughout the State plus an additional 23 meaderies, cideries and fruit wine producers that fall under this category. Together we employ over 200 full time equivalents and serve over 100,000 visitors annually in our tasting rooms and at events. Our businesses pay sales tax, use tax, alcohol tax, excise tax and employee taxes, generating revenue for the State. In addition, we have cultivated hundreds of acres of grapes, apples, fruit trees and honey, bolstering our agricultural economy.

Thank you for your work on this matter.

Mark Simakaski Legislative Committee Chair mark@artesanomead.com

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Support for Provisions of "Act 148" with regard to Small Generators of Food Residuals and Mandatory Separation from Solid Waste

Bruce Westcott, General Manager: CVSWMD

The Central Vermont Solid Waste Management District (CVSWMD) hauled food residuals from schools and businesses for composting, digesting and animal feed for thirteen years, from 2004-2017. CVSWMD serviced 162 businesses and schools within member municipalities of the CVSWMD region and adjacent towns.

Through their participation, businesses and schools have made clear they are ready to divert organic wastes, to protect the environment, to eliminate odors in trash, to gain good publicity for being eco-friendly, and to do their part in mitigating climate change.

In 2014, the District sensed that commercial haulers could be offering food scrap hauling services to organic waste generators. We tested the market in 2015 and again with a second public offering in early 2017, received an outstanding proposal, and so transitioned our program to a commercial service provider last July. CVSWMD continues to contract with Grow Compost, Black Dirt Farm, Cookeville Compost, and a growing list of farms and smaller commercial organics haulers serving businesses, municipalities and transfer stations in our District.

CVSWMD incorporates outreach to businesses in our core mission. We provide businesses with information about all local organics haulers and other disposal options, and encourage food scrap diversion through education. Businesses respond positively when they understand the cost-related, operational, and environmental incentives for keeping food scraps out of the landfill.

Since passage of Act 148, we have worked with businesses that are mandated to divert food wastes, and with many not required by the stepwise Act 148 implementation schedule. Outreach and education has proven effective:

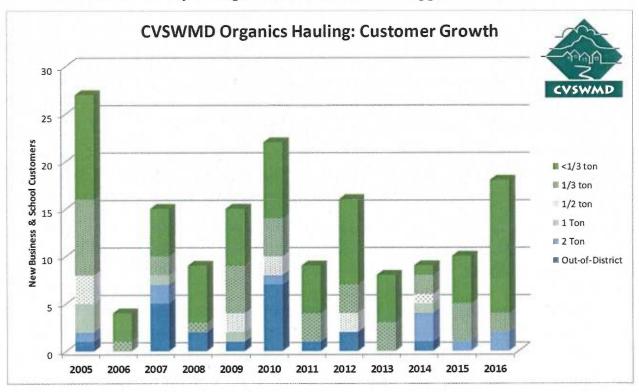
- 48% of our business organics customers signed up although they generate under 1/3 ton of food scraps a week and were not required by law to do so until July 2017.
- Our **162 organics customers** used this service for an average of nearly 5 years; by July 2017 <u>all</u> had transitioned to a commercial hauler or other disposal option allowed by law.

Throughout all our years with January's frozen vegetables and July's over-ripe melons, CVSWMD has tracked business enrollment and participation:

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- Businesses have come and gone as the economy changes; about 15% ceased operations during our period of service.
- Some customers left CVSWMD and changed to a different hauler in recent years, as commercial organics hauling services have become more available.
- 100% of our June 2017 transitioned to a commercial service provider in July, and we cannot identify a single customer who has dropped the service.



I have no doubt that some of our small business customers could come here to tell you that organics disposal is a cost they would prefer not to shoulder. But many of them would tell you how disposing of organic wastes separately has improved operations and saved money – both in operations and in solid waste hauling.

I would like to offer three "take-aways" with you today:

- 1. Proper organics disposal is economically and operationally viable for small businesses in Central Vermont.
- 2. Retaining current statutory requirements for small producers is crucial, as producer density is key to making hauler routes profitable and for keeping the service affordable to customers.
- 3. Organics disposal is part of our emerging "green economy," and is crucial to helping Vermonter households find convenient choices for disposing of food scraps by 2020.

Thank you for your consideration.

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Act 148's effect on Charitable Food Donations

Act 148's focus on keeping food waste out of landfills has caused food businesses to be more aware of their waste and to be more thoughtful about what can be donated instead of thrown away. By incentivizing businesses to be more thoughtful about their waste, **Act 148 has significantly increased charitable food donations and the number of businesses donating since it was implemented.**

Act 148 has helped the Vermont Foodbank and our 215 partner food shelves and meal sites get more food to hungry Vermonters by:

Increasing donated food

Since Act 148 was implemented in 2014, the Vermont Foodbank has increased annual distribution from 8.2 million pounds of food in 2013 to 11.7 million pounds in 2017, a 143% increase. Though not all of this increase is attributable to Act 148, it was a notable contributing factor.

- Increasing the number of producers donating food
- Improving the quality of the food donated

We now have a clear framework to use with businesses outlining how to manage their food waste, prioritizing food for people and specifying what products are worthy of donation.

Fresh Rescue

In order to better partner with food retailers who would be affected by Act 148, the Vermont Foodbank started its **Fresh Rescue Program** in 2014. Through this program, we facilitate relationships between partner food shelves and local food retailers, more efficiently connecting perishable food donations with the people who need it most.

- With the help of Act 148, this program has increased food available to hungry Vermonters by 660% in just 4 years
 - By the end of the first year of the program in 2014, 16 partner food shelves and meal sites collected 347,000 pounds of food that would have otherwise gone to waste.
 - The program has grown exponentially and in 2017, 54 partner food shelves and meal sites collected **2.3 million pounds of food.**
 - This program has also seen a significant increase in the number of businesses donating food. In the past year, we went from 48 retail partners to more than 90 in 2017.

A Model for the Nation

The significant impact that Act 148 had on food donations, along the Foodbank's innovative new Fresh Rescue Program that channels these donations efficiently to the people who need it most, drew the attention of the nation. Now these partnerships between food retailers and the charitable food system have made Vermont a role model within the Feeding America network of more than 200 food banks across the US.

Without these incentives for food retailers to donate food, food shelves, meal sites, and the Vermont Foodbank will likely see a decrease in donations and will have a more challenging time engaging new retailers to help us meet the rising need.

Why does this matter?

153,000 (1 in 4) Vermonters turn to the Vermont Foodbank and our network of food shelves and meals sites for food every year.

Hunger is a serious issue for our state. With our rising cost of living, stagnant wages, and high housing costs, Vermonters struggle on a daily basis to make ends meet. Many are only one unexpected event (loss of job, broken down car) away from not being able to afford their next meal.

This is why it is critical to support Vermont's charitable food system. The Vermont Foodbank and our network of 215 partner food shelves, meal sites, senior centers, and after school programs works every day to be sure that our neighbors can access the healthy food we all need to thrive.

1 in 4: The number of individuals (153,000) served annually by the Vermont Foodbank network*

11.7 million pounds: Total food distributed in 2017

2.1 million pounds: Total produce distributed in 2017

215: The number of network partners (food shelves, meal sites, after-school programs and shelters)

33,900: The number of children served annually by Vermont Foodbank network*

26,000: The number of seniors age 60 or older served annually by Vermont Foodbank network*

56%: The percentage of households served by the Foodbank network that had to choose between paying for food and paying for medicine or medical care at least once in the past 12 months*

72%: The percentage of households served by the Foodbank network that report purchasing inexpensive, unhealthy food because they could not afford healthier options*

*Source: Hunger in America, 2014

About the Vermont Foodbank

Vermont Foodbank is the state's largest hunger-relief organization, serving Vermont through a network of food shelves, meal sites, schools, hospitals, and housing sites. In FY2017, the Vermont Foodbank distributed nearly 12 million pounds of food to 153,100 Vermonters. The Vermont Foodbank, a member of Feeding America, is nationally recognized as one of the most effective and efficient nonprofits and food banks in the nation. Learn more at www.vtfoodbank.org.