

To: Vermont Senate Natural Resources and Energy Committee  
From: Jennifer Holliday, Director of Public Policy and Communications  
Date: 2/26/2020  
RE: S.227 and EPR

Senator Bray and Committee Members,

Please accept this testimony regarding S.227 and EPR for packaging and printed material.

### **Processing small bottles at Materials Recovery Facilities**

CSWD owns one of the two single-stream Materials Recovery Facilities (MRFs) in Vermont, located in Williston. Approximately 46,000 tons of recyclables are sorted and marketed through this facility each year which accounts for over half the residential recyclables in the state. Our specifications for what we accept from residents and businesses include a requirement for all containers to be at least 2 inches on two sides. This is because items such as straws, caps, and pill bottles that don't meet this criteria can fall through the glass-breaking machinery instead of remaining with the plastic and metal containers that will be baled and marketed. These small, non-glass items are ultimately removed from the glass via a series of screening systems and are sent to the landfill with other unacceptable contaminants.

Small plastic personal care bottles that are provided by lodging establishments generally do not meet this minimum size specification and are likely to end up commingled with the broken glass. If a small bottle does make it through the glass breaking process, it ends up on a conveyor with all other containers and is subject to hand-sorting at the CSWD MRF. These small containers are very challenging for hand-sorting. Consequently, many likely are not recovered and cycle through the entire system where they go through the glass breaking and screening process again.

MRFs that are equipped with optical sorters that replace the hand-sorting would likely recover a higher number of small bottles. CSWD is in the planning stages for a new MRF that will include this technology. We would be happy to set up a tour of our MRF so you can see and understand the operation and limitations of this important component of our recycling infrastructure.

I have one suggestion to S.227 that will more directly address the purpose of the bill: Encourage lodging establishment to use bulk dispensers. Personal care products may be packaged in glass and "pouch" containers as well as plastic. The committee may want to consider banning personal care products in any type of container less than 6 ounces.

## **EPR for Printed Paper and Packaging (PPP)**

Processed recyclables are at their lowest prices ever due to numerous policies and other factors impacting the global marketplace for recycling commodities. For example, paper, which makes up approximately 43% of the material processed and sold from our MRF currently **costs** \$52/ton to be recycled. These depressed markets are requiring MRFs to raise tip fees to cover operational costs. Tip fees at MRFs in this region are at unprecedented highs, resulting in some Solid Waste Management Entities (SWMEs) and municipalities paying more for their recyclables to be transported and processed than they are paying for their trash to be transported and landfilled. An EPR program for PPP would require the producers to fund the collection, transportation, and processing for all PPP creating a less volatile pricing situation for recycling.

In addition to funding the recycling system, EPR can also address some of the environmental issues with PPP by financially encouraging producers to design their PPP for the environment. PPP has become extremely complex over time. Examples include multilayer packaging, flexible pouches, films and wraps, multi-material pods, and even packaging, direct mail and greeting cards that contain batteries. Much of this PPP is not recyclable and is filling up our only landfill. Some PPP are serious disrupters in the recycling system that can contaminate loads of recycling, slow down processing equipment, and can endanger workers and damage MRF equipment.

An EPR law for PPP can be structured in a way that encourages PPP to be more sustainable by putting a higher cost and burden on PPP producers that use less sustainable material. Many companies have sustainability goals that consider the end of life in the design of their packaging but there are many that have not and EPR for PPP would level the playing field for producers.

CSWD encourages the committee to move extended producer responsibility (EPR) for printed material and packaging (PPP) forward this year. Specifically, I would suggest requiring the Agency of Natural Resources to draft an EPR bill for PPP for consideration by the legislature next year. Attached is a resolution I drafted based on a resolution passed by the State of Maine that directed the Maine Department of Environmental Protection to draft an EPR bill for PPP. The attached resolution is tailored for Vermont and could be modified to be incorporated into S.227.

The directive to ANR would be to provide an EPR bill for PPP that requires producers to internalize the cost of the program and protect public and private investments by requiring the EPR program to utilize existing infrastructure. Proposed elements for this bill are in the attached resolution.