

Senate Finance  
Casella Waste Systems, Inc.  
May 3, 2022  
H. 175 An Act related to Expanding the Bottle Bill

Thank you for the opportunity to provide testimony on H. 175. For the record, my name is Kim Crosby, I am the Director of Environmental Compliance for Casella Waste Systems.

Casella recognizes that the current bottle bill is operating on a system that is broken, there are many systemic issues with the current system that need to be addressed. The issues include fraud, number of required sorts, lack of labor, lack of space for additional materials and lack of timely pickups of containers from redemption centers and retailers. The blue bin system, commonly known as single stream, is not broken and H. 175 is proposing to move material from a system that is effective to one that is not. The containers targeted by H. 175 are already being effectively recycled in current recycling programs and are often sold to the same end markets as the materials collected through the bottle bill system.

An expanded bottle bill would remove materials from the recycling stream that have a positive commodity value for Vermont's recycling infrastructure which has been essential in making the Universal Recycling Law that was unanimously passed by the Legislature in 2012, a success. To compensate for the loss, recycling facilities will need to increase the cost of recycling by at least 11%. The increase cost of recycling would be passed on to solid waste haulers, which would in turn be passed onto their customers. That means any increase would be passed on to municipalities, colleges, schools, healthcare facilities, restaurants, businesses, and most concerning residents— all of whom are required by law to recycle. In addition to the increase in the cost of recycling, Vermonters will pay more for the products that are targeted by this bill – in addition to the deposit which consumers get back if they return the container, a three to 4 and half cent handling fee will be assessed to each container that the consumer pays and does not get back. H. 175 leads to increased costs for all Vermonters who are already suffering financially from COVID-19 and inflation. Additionally, the study conducted by DSM on behalf of the Agency of Natural Resources stated that expanding the bottle bill would increase the cost of the current system from 8 million to 12 million and only result in an increase in diversion by 1%.

After hearing testimony from several redemption centers and retailers about the problems within the current system, the Senate Natural Resource Committee

appointed certain members to a small working group to discuss the issues, however Casella and other key stakeholders that are responsible for managing Vermont's recycling infrastructure that would be directly impacted by this legislation, were not asked to actively participate in the working group. H. 175 references some form of compensation to the recycling facilities by a proposed Producer Responsibility Organization, however it is unclear at this time what that compensation would be and if it would be adequate to not have to increase the cost of recycling for Vermonters. Based on the discussion of the workgroup, there appeared to be consensus on some of the issues, however it appears that there are still issues that have not been resolved and a consensus could not be reached. Several items that the Committee asked the working group to address were not discussed at all.

In 2018 Casella invested over \$500,000 in equipment to clean up our glass and currently send it by rail to a facility in North Carolina where it is made into bottles or fiberglass. There are no bottle-to-bottle facilities in Vermont. Glass has to be trucked or sent by rail several hundred miles away - this is true whether it is MRF glass, glass collected within the bottle bill system or glass collected separately at drop-offs. There is glass recycling facility located in Quebec – they taken glass from recycling facilities in past and glass collected from Vermont's bottle bill system – however in an email I received upon request from the Agency, as of August 2021, glass from Vermont's bottle bill system was no longer being brought to Quebec and was instead being transported by trucks to a facility in Elmira NY.

The largest cost involved with managing glass is transportation, glass is heavy and the heavier a material is, the more it costs to transport – this is why Vermont needs local solutions for managing glass. Casella and other recyclers have been working with the Agency of Transportation on the use of recycled glass in local road construction projects Glass can be broken, crushed, or pulverized and used for various types of construction materials including replacement for virgin sand – a rapidly diminishing natural resource in Vermont.

For the reasons mentioned above, we have been supportive of keeping glass in the recycling system. Supporting local uses for glass would reduce Vermont's carbon footprint and GHG emissions resulting in a far more sustainable option for managing this material. The current version of the bill proposes to leave wine bottles in the recycling system however the higher commodity materials that this bill is proposing to remove from the recycling system, such as plastic water bottles and aluminum cans, help off-set the cost of recycling glass. Leaving glass in while removing the material that helps off set the cost of recycling glass out, would lead to increasing the cost of recycling even more than the 11% I referenced earlier.

In summary, we support being part of a stakeholder group to provide more input on fixing the issues with the bottle bill system, but for the reasons stated above, we do not support expansion – even if the issues with the bottle bill are fixed. We should be turning our focus on material that is not currently recyclable and not focusing on beverage containers that are already being managed. Thank you for the opportunity to testify before you today and I am happy to answer any questions.