

**H.175, An Act Relating to the Beverage Container Redemption System**  
**Testimony of Clare Buckley**  
**on behalf of the Vermont Wholesale Beverage Association**  
**Senate Natural Resources & Energy Committee**  
**March 16, 2022**

Thank you for the opportunity to testify. My name is Clare Buckley, a lobbyist with Leonine Public Affairs in Montpelier. I also serve as the Executive Director of the Vermont Wholesale Beverage Association (VWBA) whose members include a number of Vermont's beer and wine wholesalers. Members are Baker Distributing Corporation with facilities in Rutland and Colchester, Calmont Beverage located in Barre, the Craft Beer Guild of Vermont located in Colchester, Farrell Distributing Corporation with facilities in Rutland and South Burlington and Vermont Wine Merchants located in Burlington. These are family-owned businesses with 600 plus Vermont employees that make significant investments in warehouses, trucks, their communities, and the brands they represent, including many Vermont beer, wine and hard cider brands.

Vermont's beer distributors have been operating our part of the bottle deposit system in Vermont for close to 50 years - we initiate the deposit, pick-up empties at retailers, pay for a third party to pick up at larger redemption centers and sell the scrap, pay retailers the 3.5 cent handling fee for each container, are members of the Vermont commingling group, and remit unclaimed deposits to the Vermont Tax Department. We are responsible stewards of our products and the environment.

As one of the parties that runs the bottle bill, beer distributors understand the bottle bill's operational flaws and have worked on creative solutions to solve them. We've worked with retailers and others to develop a commingling program that the General Assembly enact it into law in 2007. Instead of sorting by brand, a number of beer and soda brands joined forces and allow their containers to be mixed together and sorted by material type (plastic, glass, aluminum) and size. We hired a professional to manage the commingling program and distributors hired a third party pick up agent, TOMRA, to pick up commingled containers at large redemption centers. The law significantly reduced the number of sorts at larger retailers and redemption centers thereby making their operations more efficient and reducing their labor costs. However, over the past 14 years the number of sorts has crept back up and there are a lot of brands that do not participate in commingling. This is difficult for retailers and distributors alike. There are other operational issues, including fraud and e-commerce sales.

VWBA wants to work with this committee to continue to reform the bottle bill system. VWBA members have been working with other beverage distributors and interested parties to develop a reform proposal that VWBA supports that will address many issues with the existing bottle bill system. Based on the current order of testimony in your committee, testimony about that proposal to reform the existing bottle bill system will be submitted to you Friday.

This morning I'd like to offer a proposal for glass wine bottles which are not currently covered by the bottle bill but are proposed to be included in H.175.

**Proposal**

VWBA asks this committee to consider including glass wine bottles in an extended producer responsibility (EPR) system such as the one envisioned in [DR 22-0170](#), the draft bill that this committee reviewed on January 12, 2022, rather than the bottle bill. In the alternative or in the interim until EPR

passes, VWBA proposes that the General Assembly impose a fee on each glass wine bottle sold by the distributor or manufacturer if they are acting as a distributor and those funds be placed in a fund to invest in Vermont's glass recycling infrastructure. We are not here to just say no. We are here to provide Vermont-specific data that demonstrates that there are environmental and economic benefits to Vermonters if glass wine bottles are covered under an EPR system rather than a bottle bill system.

### **Rationale and Benefits of Proposal to Vermonters**

***Vermont's high glass recycle rates are nearly identical for curbside and the bottle bill so expanding the bottle bill to wine will not increase glass recycling rates in Vermont.*** Vermonters do an excellent job recovering and recycling glass. ANR estimates that 77 percent of the glass generated in Vermont is recovered and recycled, whether the glass goes through the bottle bill or Vermont's curbside recycling stream. US EPA estimates less than 40 percent of food and beverage glass is recycled nationally. One of the reasons Vermont has high curbside recovery rates is that Vermont's Universal Recycling law bans food and beverage glass from the landfills and requires waste haulers to offer residential recycling. Since the rates of glass recovery and recycling are nearly identical for the bottle bill and curbside, expanding the bottle bill will result in removing glass beverage bottles from the curbside stream and put them into the bottle bill stream but will not significantly increase recycling rates of wine bottles.

***The Proposal will Generate Funds for Investments in MRFs that will still Need to Process Significant Amounts of Food and Beverage Glass if the Bottle Bill is Expanded to Wine.*** According to the [2018 Vermont Waste Characterization Report](#) by DSM Environmental, glass from wine bottles and other noncarbonated beverage containers covered under an expanded bottle bill are less than one percent of the overall waste stream and comprise less than half of the glass disposed of at Vermont's two material recovery facilities (MRFs). If the bottle bill were expanded to wine bottles and other noncarbonated beverage bottles Vermont's MRFs would still have to process more than half of the glass they do today from food and dairy products and unredeemed glass bottles. This proposal will generate the funds to invest in these facilities to ensure they can process ALL food and beverage glass.

***Vermont's MRFs are more successful at recovering glass and other recyclables than their national peers.*** Some claim that 25 percent of the waste in single stream is "contaminated," which means materials that don't belong in the recyclables (plastic film, banana peels, etc), and therefore bottle bill materials are preferred over single stream. In Vermont, Casella and CSWD state that about seven percent of waste that comes into their respective facilities is "contaminated." That "contaminated" waste is removed, and the recyclable materials are recovered. This proposal will provide additional funds to ensure the MRFs and others have the technology they need to recycle all glass.

***Reduce Greenhouse Gas Emissions by Upcycling Municipal Glass.*** There is no question that bottle-to-bottle recycling is a highest and best use of recycled glass. However, there are non-bottle recycling options that use MRF glass called "processed glass aggregate" or "PGA" that generate less greenhouse gases than bottle to bottle recycling. Two regional options to recycle Vermont's PGA are:

- Low embodied carbon building materials like [Glavel](#), a foam glass material used as a subbase or insulation in buildings. Glavel will be made at a new facility constructed in Essex, Vermont. Glavel expects to be able to use MRF PGA by the end of 2022. Use of MRF PGA in this manner would also create jobs and economic development in Vermont. There is an article about Glavel in the Burlington Free Press, *New Essex factory will create value from hard-to-recycle glass*, August 2,

2021. <https://www.burlingtonfreepress.com/story/news/2021/08/02/glabel-new-factory-essex-vermont-recycle-glass-into-construction-material/5390973001/>

- Cement replacement products like Urban Mining’s Pozzotive®, which takes MRF PGA and changes it into a white, powdery material that can mixed into cement manufactured in Beacon Falls, CT. Creating one ton of cement generates about a ton of CO2. According to Urban Mining, “the addition of Pozzotive® to concrete mixes creates stronger and longer lasting concrete for our communities while reducing the carbon footprint of concrete on a nearly ton-for-ton basis. Using Pozzotive® to replace cement in concrete is **five times more impactful in reducing global CO2 emissions than repurposing the glass back to bottles or fiberglass.**”

**Greenhouse Gas Reductions in Transportation.** “DSM’s surveys of consumers redeeming containers in VT in 2006 concluded that consumers made 950,000 special trips for a combined mileage of 7.6 million miles per year costing them \$3.67 million based on IRS mileage rates.” (Ted Siegler, Principal DSM). This is equivalent to 3,000 metric tons of carbon dioxide per year. Greenhouse gases are also generated in collecting and transporting bottle bill materials in Vermont. Currently distributors pay TOMRA, an international conglomerate based in Norway, to drive large trucks to approximately 74 redemption centers all across Vermont and truck bottle bill materials out of state for processing. If consumers place wine bottles in their blue bins, which are already being picked up by their trash haulers, it will avoid these greenhouse gas emissions.

***Wine bottles are unlike other containers covered by the bottle bill and they are better recycled through the curbside recycling system.***

- Wine bottles existed when bottle bill passed in the 1970s and were not included. Wine bottles are a significant source of litter in Vermont. Wine bottle glass does not pose human health concerns.
- Wine bottles are big, heavy and breakable and will be difficult for consumers to return to retailers and redemption centers. Redemption centers will face challenges as wine bottles are unlike other containers already returned under the bottle bill and will take a significant amount of space to store and labor to sort.
- There are hundreds of thousands of wineries worldwide. Manufacturers and/or distributors will have to hand label each bottle with a VT deposit sticker. ANR will have to register all these manufacturers in order for the wine to be sold in Vermont. In an EPR system labeling or registering wine bottles will be unnecessary.
- In this era of E-Commerce where more products are being sold over the Internet, under an expanded bottle bill deposits will not be charged on many wine bottles coming into the state but your local distributors will be responsible for picking up the empties and paying a deposit and handling fee on each one.
- Connecticut recently expanded its bottle bill to water and other non-carbonated beverages but wine was not included. Instead, a working group was established to find a way to ensure that 80 percent of all glass wine and spirits bottles are collected and recycled. Connecticut also put a 5 cent fee on each nip bottle in the state and will have the funds disbursed to municipalities where the nips are sold, generating funding similar to this proposal.

**Conclusion**

This proposal allows Vermont to use its recycled glass locally and generate funds to invest in Vermont’s glass recycling infrastructure to address ALL glass including food and dairy glass. With EPR we are

investing in Vermont companies, municipal entities and employees instead of Vermonters paying an out of state company to ship our materials out of state. Vermonters spend \$11 million annually on the bottle bill and it is estimated we will spend another \$4 million if it is expanded (DSM 2013 report, Table 46 attached). You will hear national glass container manufacturers and other advocates claim that this proposal will result in “downcycling” and there is too much “contamination” to leave the glass wine bottles in the single stream system. But Vermont-specific data shows we have the ability to upcycle this glass by means of an EPR system all while creating jobs and economic development in Vermont.

Thank you for the opportunity to testify and for considering this proposal.