

House Ways and Means Committee  
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H. 175 An Act related to Expanding the Bottle Bill

Thank you, Senator Bray and Committee Members for providing me with the opportunity to provide testimony on H. 175. For the record, my name is Kim Crosby, I am the Environmental Compliance Manager for Casella Waste Systems, a Vermont based company providing solid waste and recycling services in Vermont since 1975. Casella operates the recycling facility in Williston under a contract with the Chittenden County Solid Waste District and owns and operates the recycling facility located in Rutland.

Casella does not support expansion of the bottle bill redemption system as proposed in H. 175. We view bottle bills as antiquated legacy systems that were originally designed to control litter and promote recycling at a time when recycling programs were less common or not mandatory. In 2012, the Legislature unanimously passed the Universal Recycling Law mandating all Vermonters recycle and banned recyclables from disposal. In addition to mandating all Vermonters recycle, the law requires all solid waste facilities provide for the collection of recyclables and all solid waste haulers provide curbside recycling services. Vermont is one out of two states to adopt such a comprehensive recycling law. Delaware also passed a Universal Recycling Law, however after passing the law, they subsequently repealed their bottle bill. Issues with fraud accompanied by a structurally flawed system ultimately led to the State's decision to eliminate their bottle bill.

The most efficient and economical way for solid waste haulers to provide mandatory curbside recycling service is through single stream collection. Single stream is also the most convenient option for Vermonters, and convenience was deemed as one of the most important factors in encouraging Vermonters to recycle more and throw away less. Many investments were made on behalf of the public and the private sector, to implement the law, and help Vermont achieve its recycling and diversion goals.

The 2021 Biennial Report on Solid Waste prepared by the Department of Environmental Conservation for the House & Senate Committees on Natural Resources, indicates that the Universal Recycling Law is working. Vermonters recycle 72% of mandated recyclables and the state has seen a 10% increase in recycling since 2014.

Another indication of success is the low contamination rate we are seeing at both recycling facilities. The contamination rate, which is the amount of material that people place in their recycling bins that isn't recyclable, ranges between 7-11% compared to 20-25% in other States throughout the country. We believe the contamination rate will continue to improve over time through the continuous education provided by haulers, municipalities, solid waste districts and the Department of Environmental Conservation on what can and cannot be recycled.

Bottle bills also compete with and threaten the economic viability of recycling facilities as they skim off a sizable portion of the recycling stream. A recent study prepared by Resource Recycling Systems released last month by the National Waste & Recycling Association, evaluated the impact of bottle bill systems on MRFs and municipalities. The study concluded bottle bills and expanded bottle bills lead to higher costs and lower revenues, when high-value materials such as PET and aluminum, are moved away from the MRF. In a bottle bill system, the fixed cost per ton increases because total fixed costs remain constant and have to be spread across fewer tons received. This is consistent with an internal evaluation we conducted at our facilities using the scenario proposed in H. 175. Our evaluation concluded we would have to increase our tip fee by approximately 11% per ton.

The increase in tipping fees at MRFs would be passed onto solid waste haulers, which would in turn be passed onto their customer. That means any increase would be passed onto municipalities, solid waste districts, colleges, schools, healthcare facilities, restaurants, businesses, and most concerningly residents— all of whom are required by law to recycle, and many of whom are already suffering financially from, on-going labor shortages, increasing fuel prices, supply chain issues, soaring grocery prices, and other financial impacts related to COVID 19, accompanied by the rising cost of inflation.

Many municipalities have expressed concern with costs associated with recycling. To reduce the burden of increasing costs, municipalities are favoring Extended Producer Responsibility programs on packaging and printed materials as introduced by S.236. Extended Producer Responsibility on packaging is proposing to shift the cost for collecting and managing recycling from municipalities to the producers. Passing legislation like H. 175 that would increase the cost of recycling seems counterintuitive to the municipally favored EPR model and recent legislative initiatives.

In addition, in 2019, I served on the Single Use Product Working Group chaired by Senator Bray. Representative McCullough who introduced H. 175 was also a member. Members were asked to submit our top three priorities we wanted to see

added to the final report distributed to the Vermont General Assembly. One of Representative McCullough's priorities was to focus on EPR and eliminate the bottle bill. While Casella does not support eliminating the existing bottle bill, we believe the focus should be on hard to manage unrecyclable materials and not materials already recycled under the current system.

Cost associated with transportation of these materials is also an issue, in particular, the cost associated with glass. The biggest cost associated with recycling glass is not the processing cost, but the cost of transportation. Glass is heavy and the heavier a material is the more it costs to transport. In addition, GHG emissions associated with transport of glass, is already an issue as most if not all glass is transported out of state. Glass currently collected under the bottle bill system is transported by tractor trailer several hundred miles to out of state facilities and processed into bottles and fiberglass insulation. Casella sends glass from our Rutland facility by rail to Strategic Materials, a beneficiation facility located in North Carolina, that processes glass in the same way.

Vermont needs local solutions for managing our glass. Transporting glass hundreds of miles by rail or by tractor trailer is not conducive or in-line with the goals outlined in the Global Warming Solutions Act. Glass can be broken, crushed, or pulverized and used for various types of construction materials including replacement for virgin sand in road construction projects. VTRANS testified last year that Vermont is experiencing a sand shortage and will need to import sand as there are no new sand pits being developed to meet the existing and future needs for sand. VTRANS has indicated that they can use all the glass that both MRFs can produce. It is important to note that recycling isn't just about diverting material away from disposal, it is also about conserving natural resources.

In addition, moving material that is already being collected and recycled from the MRF to the bottle bill system means that more trucks will be needed to keep up with the additional material that would be brought to redemption centers and retail locations. Many retailers do not have the room or the labor to accommodate the additional volume. With the focus on climate change, we should be evaluating ways to improve collection efficiencies by reducing the number of trucks on the road, not increasing them.

Testimony from DSM presented before the House last year explained that expanding the bottle bill will only capture an additional 4,000 tons of material which equates to diverting an additional 1% of material from disposal. DSM stated that expansion would increase the cost of operating the bottle bill by \$4 million dollars and concurred that expansion will increase the cost of the products it is proposing to target and at the same time will increase the cost of recycling for all Vermonters –

this seems like a pretty heavy price tag for an effort that isn't going to move the needle that much. DSM has conducted several studies on Vermont's bottle bill system on behalf of the Agency of Natural Resources and would recommend that the Committee invite DSM in to testify.

In closing, we urge the Committee to support Vermont's recycling infrastructure by not supporting H.175. Now is not the time to be considering legislation that would place additional financial strain on Vermonters by increasing the cost of recycling and consumer prices.

As always, we welcome any member of the Committee to visit either recycling facility to show the hard work that is involved in managing Vermonter's recyclables. Thank you for the opportunity to testify before you today and I am happy to answer any questions at this time.