



June 13, 2017

The Honorable Michael Barrett
The Honorable Thomas Golden
Chairmen, Joint Committee on Telecommunications, Utilities and Energy
State House
Boston, MA 02133

Testimony in Opposition to Senate Bill 1865

Dear Chairmen Barrett, Golden & Members of the Joint Committee on Telecommunications, Utilities and Energy:

On behalf of the Glass Packaging Institute (GPI), **I offer the following testimony in strong opposition to Senate Bill 1865**, which would repeal the state's bottle bill recycling program, and institute a 1-cent non-refundable tax on containers to support statewide recycling. **GPI and our member companies strongly oppose repeal of the Massachusetts bottle bill program.**

GPI is the North American trade association for the glass container manufacturers, glass recyclers, and suppliers of materials, equipment and transport to the industry. Collectively, the industry directly employs 18,000 Americans in glass container manufacturing and related recycling industries.

When glass plants can increase the levels of recycled glass as part of the overall batch mix, they can reduce furnace temperatures, resulting in reduced energy use and lower greenhouse gas emissions. **The glass and other beverage containers recovered through the Massachusetts program is of high quality, and in high demand by the glass container and other manufacturing industries.** The program support several hundred jobs at in-state redemption centers and related recycling businesses.

GPI member companies have a strong presence in Massachusetts. Ardagh Glass employs hundreds of residents, manufactures millions of glass bottles daily at their plant in Milford and has been recognized as one of only 70 manufacturing operations in the US as Energy Star ® certified by the EPA. On average, the Milford plant produces their glass bottles using over 90% recycled glass in the manufacturing process. Strategic Materials, Inc. operates a glass recycling facility in Franklin, and processes much of the glass beverage containers recovered through the program.

GPI estimates that 65%-80% of recycled glass used in the glass container manufacturing process is sourced from the 10 states with bottle bill recycling programs. Up to 50% of the glass collected in a residential, single stream manner, will be sent to landfills for disposal, due to contamination and sorting challenges at the materials recovery facility.



Bottle bill recycling programs achieve on average, much higher recovery rates for covered beverages. Redemption of containers within Massachusetts' program is north of 60%, well above the national average for beverage container recycling.

Demand for quality, recycled glass by the glass container and other manufacturers across the country serve as strong, available and ready markets. A prime reason for the success of bottle bill recycling programs is that recovered containers are kept separate from other recyclables, drastically reducing contamination and providing them the best opportunity to return to a manufactured product.

Delaware's Single Stream Recycling Fails to Meet Expectations

Delaware is the only state to have repealed their bottle bill recycling program. The 5-cent refundable fee under the program, become a 4-cent tax on consumers at the point of purchase, in an effort to fund statewide recycling.

Massachusetts can benefit from understanding the significant shortcomings Delaware encountered as a result of a move to universal single stream recycling and repeal of its successful bottle bill program.

Funding for Universal Recycling Fell Far Short of Expectations

- A 4-cent tax on glass beer bottles and smaller PET carbonated beverage containers supported the universal recycling program. *The glass container and PET manufacturing industries have seen little to no benefit from the law, despite its customers paying heavily to subsidize it.*
- \$22 million was promised from Delaware as a result of this tax, but only \$14 million was received. *Of that, \$8 million has been given out in grants, with only \$2.5 million headed to municipalities and non-profits. \$5 million was sent back to the state's General Fund in July 2016.*
- The mandated 4-year tax has concluded. *Consumer taxes paid on beverage containers will no longer financially support the program.*

Significant Contamination of Recyclables & Overstated Rates

- While the universal recycling program has increased the overall Delaware recycling rate by 8%, nearly half of these gains were made in the commercial sector. *Of this increase 11,000 tons are landfilled annually, due to contamination.*
- Leaf and yard waste are also included in the increased recovery numbers. *Conflating and confusing recycling rates of beverage containers and traditional recyclables.*



The Structure of the Delaware Bottle Bill Program Limited Recovery

- Aluminum beverage containers were removed from the Delaware program in 1994. *The program also covered limited beverage types.*
- Unlike Massachusetts and other states with similar programs recovering north of 60% of covered containers, this exclusion, along with a lack of formal recordkeeping, led to an unknown recovery rate (assumed to be very low) for the program at the time of its repeal.

Insufficient Grants to Delaware Communities Limit Recycling Results

- Prior to single stream replacing the container deposit program, only 17% of Delaware residents statewide had access to single-stream curbside collection. *In Massachusetts, 80% of residents are already served by municipal recycling programs.*
- Only 14 of the 57 cities in Delaware have received grant money to improve and enhance their recycling programs.

GPI would like to thank you in advance for your thoughtful consideration of our testimony to Senate Bill 1865, and working to ensure a strong bottle bill program in Massachusetts.

Sincerely,

A handwritten signature in black ink that reads "Lynn M. Bragg". The signature is written in a cursive style.

Lynn M. Bragg
President