



April 3, 2013

Senator Robert Dvorsky
Iowa State Capitol
1007 East Grand Avenue
Des Moines, Iowa 50319

Testimony in Support of Iowa Senate Study Bill 1247

Dear Senator Dvorsky:

On behalf of the Glass Packaging Institute (GPI), I am pleased to provide the following testimony and support for Senate Study Bill 1247, which would expand Iowa's existing recycling refund program to include non-carbonated beverage containers.

GPI is the North American trade association for the glass container manufacturers, glass recyclers, and suppliers of materials, equipment and transport to the industry.

GPI's members recognize the importance of supporting sustainability initiatives including conserving energy, saving raw materials, reducing air emissions (including NOx, SOx, PM and greenhouse gases such as CO2) and being fully committed to "Reduce / Reuse" in all aspects of plant operations e.g. water, cardboard, lubricants, electricity, etc.

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. This is also true of other packaging and manufacturing industries. For glass, one ton of carbon dioxide is reduced for every six tons of recycled container glass used in the manufacturing process. Energy use at the glass plants also drop about 2-3% for every 10% recycled glass used in the manufacturing process.

Based on the forgoing, it should come as no surprise that GPI member companies are strongly impacted by the outputs of the municipal solid waste and recycling streams. A top priority for GPI is to divert and recycle glass containers currently in the Municipal Solid Waste (MSW) stream, and to ensure that as many containers as possible are re-melted in the production of new glass containers.

The current recovery rate for beverage containers included Iowa's recycling refund program is 86%, among the highest beverage recovery rates in the nation. Expansion of this existing and successful program will further assist Iowa in recovering additional containers, as well as reducing energy use and associated emissions levels for in-state and nearby manufacturers.

Importantly, Senate Study Bill 1247 also increases the "handling fee" by one penny per container covered in the program, money that would be provided to the redemption centers. This handling fee has not been increased since 1978, and this modest adjustment will greatly assist redemption centers in maintaining their operations.

GPI has established a 50% recycled content goal for the manufacture of new glass containers. Success in achieving that goal is largely dependent on the strength of the recovery systems that generate recycled materials purchased by our industry. GPI estimates that more than 65% of recycled glass comes from Iowa and the other nine states with beverage container refund

programs. A prime reason for the success of these programs is that collected containers are kept separate from other recyclables, drastically reducing contamination and providing them the best opportunity to return to a manufactured product. Accordingly, GPI members are vigorously engaged at the local, state and federal levels to improve collection systems, improve the usability of quality of recyclables for manufacturers and better link collection systems with end markets.

For glass, and often for other aluminum and PET beverage containers, many of such containers counted as “recovered” must be sent through a recycling recovery process, only to be contaminated to the degree where they eventually ends up in a landfill as cover, or unusable for the viable end markets that exist. Accordingly, when evaluating recycling data presented in support of curbside collection it is very important to remember that such recycling data almost always means “collected” not actually recovered and recycled. In contrast, and as we mentioned earlier in this testimony, the vast majority of glass collected through the current Iowa recycling refund program remains contaminant-free, able to be purchased by glass recyclers, and eventually, container manufacturers. This is also true for aluminum and PET beverage containers.

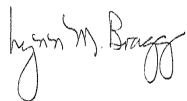
The most successful and robust beverage container refund programs not only provide environmental and energy related benefits, but may also contribute to increased employment in the greater recycling industry. A recently issued report by the Container Recycling Institute (CRI) found that, depending on system parameters, these programs create 11-38 times more jobs than a curbside recycling system for beverage containers. (*Morawski and Morris, Returning to Work: Understanding the Domestic Jobs Impacts from Different Methods of Recycling Beverage Containers, December 2011*)

Additionally, the CRI report finds that, ton for ton, beverage container recycling refund programs create at least five times more jobs in container collection, sorting and transport than in garbage collecting, hauling and landfilling. The CRI Report concluded that the principal reason beverage container refund programs create more jobs is that they recover more of the “target” material. On average, states with these programs, including Iowa, recover three times more beverage containers, than states without these programs (76% vs. 24%.)

Unlike beverage container recycling refund programs, curbside and drop-off programs do not have a demonstrated ability to reduce litter from public areas. However, curbside and drop-off programs can collect a broader spectrum of materials, and therefore work in conjunction with beverage container refund programs to achieve a greater overall improvement in recycling. Additionally, the wear and tear on capital-intensive sorting and processing machines at recycling recovery facilities can be greatly reduced, if a portion of covered beverage containers are removed from the process.

GPI would like to thank the Committee for consideration of this critical legislation. Please consider GPI and its member companies a resource and advocate for recycling related issues.

Best regards,



Lynn M. Bragg
President