



West Coast Protective League Meeting - Spring 2018

California

Bottle Bill Program: GPI and member companies continue to support the bottle bill program, oppose its elimination, and ensure its solvency. Discussions underway could lead to elimination of the program, placing more glass in single stream (SS) recycling (resulting in poor quality glass), reducing the amount of glass available for in-state plants.

San Joaquin Valley: Last week, regulators proposed significant NOx reductions for three CA glass plants. These pollution control recommendations are costly and provide minimal environmental benefit. The glass industry will meet with regulators soon to voice our concerns.

Oregon and Washington

The glass container industry is facing pressure from waste and recycling haulers in both states to remove glass from SS recycling programs. GPI and member companies have expressed concern with this move, citing the recapture of glass from SS programs in both states that supports strong in-state glass container plants.

Both states are also looking at cap and trade, carbon tax and similar measures that would financially penalize manufacturing facilities. GPI is working to ensure that the glass container industry is appropriately recognized as “energy-intensive-trade exposed” (EITE), to limit exposure to these efforts. While legislation in both states is no longer viable for 2018, ballot initiatives this fall, as well as legislation for the 2019 session, is expected.

Federal (National) Issues

“Cadillac” Excise Tax: GPI, along with the USW, remains strongly opposed to the “Cadillac Tax”, scheduled to be issued on health insurance plans valued over \$27,500 annually beginning in 2022. While we have been successful in delaying its implementation to date, we continue to seek its permanent repeal. Companies should not be punished for providing quality healthcare benefits programs for employees and their families.

Soda Ash Royalty Rates: GPI and member companies support reducing the rate our soda ash partners pay from 6 percent to 2 percent. This is an effort to more fairly compete with synthetic Chinese soda ash producers, whose government provides them an unfair rebate, equivalent to \$35 per ton. The most recent effort is to place H.R. 4605 in a larger bill (“omnibus”), which will be considered by Congress later this month.

Rail Competitiveness: GPI and member companies are advocates of fair rail policies. Current rail service costs are high and service is spotty (especially in the Midwest and Southeast). The Surface Transportation Board (STB), rail’s governing body, is considering two new Commissioners who understand the challenges glass companies and suppliers of raw materials face. We support these nominees.

LNG Exports: H.R. 4605 would remove the “public interest” test, which would result in greater exports of natural gas. GPI and member companies oppose this, as it will likely increase the energy costs for glass plant operations.

Workforce Development: GPI and member companies are engaged with the National Association of Manufacturers (NAM) for guidance and assistance in workforce development programs, to strengthen our valued workforce.