



## ***ENVIRONMENT COMMITTEE***

March 6, 2020

The Connecticut Conference of Municipalities (CCM) is Connecticut's statewide association of towns and cities and the voice of local government - your partners in governing Connecticut. Our members represent 100% of Connecticut's population. We appreciate the opportunity to testify on bills of interest to towns and cities.

**S.B. 11 “An Act Concerning the Reliability, Sustainability, and Economic Vitality of the State’s Waste Management System.”**

**S.B. 296 “An Act Concerning a Minimum Recycled Glass Content for Wine and Liquor Bottles Sold or Distributed in the Northeast Region.”**

**H.B. 5340 “An Act Concerning the Modernization of the Connecticut Bottle Redemption Program.”**

**H.B. 5342 “An Act Concerning Multi-Stream Recycling.”**

CCM appreciates the opportunity to submit testimony related to the aforementioned bills. We believe that together these proposals present solutions aimed at holistic change to our municipal solid waste and recycling management systems in the state. We appreciate the Department of Energy and Environmental Protection's efforts to continue to seek alternatives to our current waste stream process and by keeping the lines of communication open with CCM, COST and our municipal members.

By way of background, as you all know by now, in 2017, the Chinese Government announced The National Sword, a policy that limits the kind of recyclables the country accepts. No longer will China take on what it terms “foreign garbage,” limiting the amount of impurities in recyclables in order to protect its own environment, which is the world's most polluted (rated by CO2 emissions, America is number two).

### **Potential Solutions**

#### **EPR**

The effects of the National Sword decision have focused local government's attention on, among other solutions, EPR for packaging and paper as a waste reduction and financing option. There are three main factors that have highlighted the need for an EPR solution; (1) recycled commodities markets have experienced a rapid downturn and general uncertainty, (2) the changing mix of the



packaging material stream has been defined by shifts away from traditional recyclable materials and toward low-value, flexible plastic packaging materials and (3) there is a growing recognition that local governments are seeing increased costs in response to plastic pollution.

Those factors are among the many placing local governments in the state on the hook for the expanding costs of managing packaging materials, especially plastics. The current slump in recycling markets has helped draw attention to the fact that taxpayers and ratepayers bear the primary risk of any downturn in the value of collected material. When recycled commodities markets slide, additional taxpayer or ratepayer subsidization of community recycling programs is required. In the era of ongoing budget crises, the value of recycling has been increasingly called into question, and some communities are now being forced to pay for rather than be paid for these materials.

The price tag and logistical challenges of dealing with packaging materials – through collection, recycling, disposal, waterway and beach cleanup, street sweeping, storm water capture, and outreach and education – are spiraling upward. Local governments are beginning to look to the companies that produce packaging in the first place to pay their fair share in managing the material. In an EPR system, the risk of down or collapsed markets is on industry, not on communities. CCM supports the creation of an EPR system for packaging and paper, as this system will be better financed and managed overall and will provide the needed financial relief local communities so desperately need.

### **Bottle Bill Modernization, Including Glass**

Connecticut's bottle deposit law, also known as The Bottle Bill, took effect in 1980 and is one of Connecticut's most successful environmental laws. Today, the law requires consumers pay a 5-cent deposit when purchasing carbonated beverages and bottled water, which is then returned to them when they return their containers to a retailer or redemption center. This refundable deposit has proven to be an effective incentive for recycling, preventing containers from ending up in streets, oceans and landfills.

According to industry experts, expanding Connecticut's program to include other non-carbonated beverages such as sports drinks, teas and juices would add an additional 193 million containers to be collected each year. This would increase recycling and save energy while reducing litter and greenhouse gas emissions.

If modernized, the bottle deposit law will be a win-win for municipalities, businesses and the environment NOW. Adding beverage containers such as wine and liquor bottles to the current narrow "bottle bill" list of soda, beer and water, we will reduce litter and divert many of these containers from costly curbside trash and recycling collection to redemption. Additionally, the increase in the handling fee will support the redemption centers and other retailers, in providing this valuable service.



### **Other Solutions**

The National League of Cities (NLC) has written on this issue extensively, and one of its recommendations for local governments is to, “Collaborate with your local economic development office to evaluate your current markets and identify new local and regional opportunities for unconventional or novel uses of your communities recycling commodities.” They even suggest that tax breaks and recycled materials minimums in procurement might help foster the creation of new markets.

One of NLC’s case study cities is Austin, Texas, which has led the way in this type of adaptability. They created the Materials Marketplace, which is an “online platform that connects local individuals with businesses to divert, reuse and/or repurpose materials that are difficult or impossible to recycle or compost.” Giving new meaning to the phrase “one man’s trash is another man’s treasure,” Austin has found a way to once again turn certain recyclables into a profitable market, while at the same time benefitting local businesses and creating jobs. With ingenuity like this, no one loses.

It is important that we elaborate a bit here on what we believe has exacerbated and continues to tie the hands of local governments regarding this crisis in our state. Over the years, Connecticut, whether intentionally or unintentionally, has created a closed market for the collection of our municipal solid waste (MSW) and recyclable materials. This closed market has consequently resulted in a lack of competitive response to municipal requests for proposals, for the management of their waste and recyclables. Connecticut needs to start to think of ways to reinvigorate the competitive marketplace around municipal solid waste and recycled content collection, as they have in places like Austin.

### **Summary**

The National Sword is just getting started. According to NLC’s reporting, additional restrictions will be rolled out continually through 2020, when “China aims to halt all solid waste imports.” There’s some thought that other countries might pick up the market that China is abandoning, but in light of the Paris Accord, it’s hard to see the market returning to 2016 levels.

The state of recycling needs a renewal itself. Municipalities are not in the business of riding the commodities markets, they contract with vendors whose business it is to anticipate and plan for these market corrections. Why do we continue to allow this industry to subsidize market downturns on the backs of the state’s ratepayers and property tax payers?

Towns and cities cannot afford to have municipal solid waste and recyclables become a greater expense, one that matches solid landfill waste. There are ideas out there for municipalities to lessen the tipping fees for their towns; in one case that means banning certain items altogether, in another you remove an item like glass from the stream altogether. However, this can also be seen as an



opportunity. Americans produce more municipal waste than any other country in the world, according to the NLC. There should be a push to create local markets as they have in Austin.

Local governments have no intention of halting recycling. There is too much invested in our natural beauty and resources, our rivers, lakes, and forests to let recyclables pile up in landfills taking up more and more of the finite resource of our great State's land. Instead municipalities are looking to be partners with the state in finding mutually agreeable and financially sustainable solutions to this growing crisis.

CCM would encourage the Governor and General Assembly to begin to explore ways to establish new markets in the state as an economic development opportunity. An opportunity that will not only help the economy statewide, but will alleviate the financial burdens the National Sword decision has had on our local communities.



If you have any questions, please contact Donna Hamzy Carroccia, Advocacy Manager of CCM at [dhamzy@ccm-ct.org](mailto:dhamzy@ccm-ct.org) or (203) 843-0705.