

# Environment Committee JOINT FAVORABLE REPORT

**Bill No.:** HB-6664

**Title:** AN ACT MANAGING WASTE AND CREATING A WASTE AUTHORITY.

**Vote Date:** March 24, 2023,

**Vote Action:** JFS to the floor

**PH Date:** 2/27/2023

**File No.:**

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## **SPONSORS OF BILL:**

Request of the Governor Pursuant to Joint Rule 9

## **REASONS FOR BILL:**

To implement the Governor's budget recommendations

## **JFS Language:**

Added Subsection (pp) to Section 1 concerning the implementation of the consumer packaging stewardship program. Deleted two-tiered increase in tipping fees. Made other technical and conforming clarifying changes.

## **RESPONSE FROM ADMINISTRATION/AGENCY:**

### **Katie Dykes, Commissioner, Department of Energy & Environmental Protection:**

Commissioner Dykes testified in support of the package of proposals to continue the Governor's vision of moving the state into an affordable sustainable waste management system. The bill uses four major strategies:

1. Restoring "self-sufficiency in the waste sector of the Municipal Solid Waste to achieve more predictable and affordable waste management.
2. Maximize scalable, affordable programs and policies for reducing, recycling and diverting recyclables and organic material from the Municipal Solid Waste.
3. Enable municipalities to invest in waste infrastructure to manage the remaining Municipal Solid Waste tonnage.
4. Committing to a clear path forward for remaining MIRA assets including the South Meadows in Hartford.

**Colleen M. Murphy, Executive Director and General Counsel, Freedom of Information Commission (FOI):**

Ms. Murphy submitted testimony that FOI does not oppose the bill but is concerned with certain language. With respect to section 1 (lines 595-603) this language is unnecessary because Section 1-210(b)(5) of the FOI Act already permits a public agency to withhold from disclosure trade secrets and commercial or financial information given in confidence. We also request that language in section 1 (lines 595-603) be amended to make clear that the Commissioner of Energy and Environmental Protection's be renewable by the Freedom of Information Commission.

**NATURE AND SOURCES OF SUPPORT:**

**Luke Bronin, Mayor, Hartford:**

Mayor Bronin testified the closure of the Materials Innovation and Recycling Authority (MIRA) facility in Hartford has presented the state with an opportunity. Municipalities and taxpayers are responsible for the cost of recycling but under this program producers will have responsibility for their products. The opposition claim it will result in price increases but in fact in the absence of an EPR program consumers pay more for packaging expenses over multiple times. They pay the initial cost of a product and then pay for the collection and recycling or disposal of the packaging thru taxes or other waste collection fees. This bill could save taxpayers an estimated \$50 million in recycling fees.

**Frederick W. Hurley, Jr, Director of Public Works, Town of Newton:**

Mr. Hurley testified about his responsibility for the past 34 years of the recycling and solid waste programs for Newton. There is a clear difference between municipalities and their recycling programs. The state has ordered all haulers to process recycling separate from solid waste that provision of the law is not enforced in any meaningful way. Something different must be done and we believe EPR is the solution.

**Kim O'Rourke, Recycling Coordinator, City of Middletown:**

Ms. O'Rourke testified that it is vital Connecticut improve its waste management system. Since Hartford's MIRA facility has closed more waste is being transported out of state putting our municipalities and communities at the mercy of other state fees and regulations. Included in my testimony is Middletown's story of recycling.

**Denise Raap, First Selectman, Town of Litchfield:**

First Selectman Raap testified that Litchfield back to 1992 created 4362 tons of trash and now we are creating over 5360 tons per year even though our population has declined. Past legislation and education have done little to reduce trash and increase recycling. By supporting this bill, the companies that create these materials will have an incentive to make their packaging more sustainable. This policy has been enacted in 12 other states and I am proud that Connecticut is joining those other states.

**Virginia Walton, Recycling Coordinator, Town of Mansfield:**

Ms. Walton testified on how municipalities need relief from the end-of-life costs of products. Recycling costs are rising, and residents are confused as to what needs to be recycled. EPR laws internalize the cost of products and shifts the responsibility from a municipality to the product designer.

**Katherine Bruns, Recycling Coordinator, West Hartford:**

Ms. Bruns testified about actively participated in several working groups in DEEP's Connecticut Coalition for Sustainable Materials Management including the EPR working group. Over 3000 new types of packaging material are created each year with flexible packaging a non-recyclable the fastest growing. All new packaging materials needs to be recyclable and EPR will help.

**Nancy Rossi, Mayor, City of West Haven:**

Mayor Rossi submitted testimony in support of the bill and the help it will give local governments in Connecticut that have assumed primary responsibility for the financial and management of handling millions of tons of waste. EPR laws have successfully operated for over 35 years in Europe and 15 in Canada. The Connecticut Department of Energy and Environmental Protection issued an update report that estimates and EPR bill could save residents \$50 million in recycling expenses by 2028.

**Justin Elicker, Mayor, City of New Haven:**

Mayor Elicker testified his support particularly for the extender producer responsibility provisions in Section 1. This would reduce municipality responsibility and have a significant impact on Connecticut by reducing the overall volume of materials consumed by packaging. Other jurisdictions with extended producer responsibility programs have not seen increases in the cost of consumer products.

**Christine O'Neill:**

Ms. O'Neill testified having spent the last two years involved with waste management issues and working as an Environmental Planner for her Council of Governments. Over one billion people live with packaging EPR, and it has proven to increase recycling rates, incentivize packaging minimization and reduce plastic pollution. Brand owners need to be responsible for their packaging choices. Mandating access to food waste separation by 2028 will help achieve waste diversion goals and restructuring MSW assessment fees to align with DEEP is a step in the right direction.

**Caroline James, Director of Sustainability, Atlantic Packaging:**

**Wes Carter, President, Atlantic Packaging:**

Ms. James and Mr. Carter submitted testimony about the positive effectiveness of EPR packaging. Companies should be solving the waste crisis without policy intervention but the volume, complexity of materials and insufficient infrastructure become challenging economic incentives. There are tons of materials to recycle but insufficient infrastructure and not enough incentives. We need more incentives to source the recycled content.

**Tammy Thornton, Wilton**

Ms. Thornton testified that as a resident of Wilton I have been working in our town and schools to educate and engage our residents. EPR is a critical step to stabilizing our waste management system and incentivizing producers to create more sustainable packaging.

**Jennifer Heaton- Jones, Executive Director, Housatonic Resources Recovery**

**Authority:**

Ms. Jones testified that this policy will not replace the collection system already in place but provide financial relief to the hauling industry and municipalities. Over 40 countries have packaging EPR programs many for more than 35 years and there is no evidence that it has raised the prices for consumers. We support Sections 3 thru 8 but would like to see Section 2 modified to apply to glass food and beverage containers.

**Serena Levingston, Sunrise Wesleyan:**

Ms. Levingston testified as a junior at Wesleyan University who is deeply invested in the health of the communities across Connecticut, she had to urge support of the Extended Produce Responsibility for packaging. EPR packaging will increase recycling, provide education and outreach, relieve municipalities of a heavy financial burden, divert 190,000 tons of waste, and make producers responsible and accountable.

**Bob Wall, Chairman, Sustainable Fairfield Task Force:**

Mr. Wall testified that municipalities have seen dramatic increases in disposal and waste recycling. Consumers pay three times for packaging, first they pay for the packaging as cost of goods, then they pay for the collection and then for the recycling and disposal of the packaging thru the hauler fees and municipal recycling costs. Of course, there is the payment for the pollution caused by the packaging. The bill would provide options for municipalities and make manufacturers responsible.

**Scott Kalb, Chairman, Bright Feeds:**

Mr. Kalb testified as a new green company located in Berlin, Connecticut using patented technology to solve the waste crisis they supported sections 3-20 and particularly sections 3,5, and 7 which will improve the recycling of food waste. As the single largest solution provider and the cheapest solution with zero tipping fees we will remove the equivalent of 160,00 tons of carbon each year. We have included in our testimony our thoughts on key provisions.

**James Asail, Chief Executive Officer, Pack Green Coalition:**

Mr. Asail testified as a nonprofit we believe Extended Producer Responsibility is a critical tool increasing recycling rates. Increasing recycling rates will return millions of useful recycled materials, create quality jobs, reduce greenhouse gas emissions, and save millions of dollars for municipalities. Creating a public/private Advisory Council will draw upon the expertise and perspectives of producers for their participation on an operational than just a financial level.

**Liz Donohue, Government Relations Director, Blue Triton Brands:**

Ms. Donohue testified on behalf of Blue Triton Brands headquartered in Stamford, Connecticut. Establishing a recycled content standard will influence end market use. The policy behind Section can help significantly in fostering a circular economy but it needs to be drafted thoughtfully with an understanding of the regional recycled materials market. We have included recommendations for regional harmonization.

**Dan Felton, Executive Director, and Ander Hackman, AERIPEN:**

Mr. Felton and Mr. Hackman testified in appreciation of DEEP's engagement in the development of the bill but believe amendments are needed to ensure the program can be effectively and efficiently implemented for the long term. We support packaging produce responsibilities and policy solutions based on efficient, effective, equitable, fair and results based.

**James Desantos, Legislative Liaison, The Connecticut Green Bank:**

Mr. Desantos testified that with the expansion of the Green Bank and the closing of the waste-to-energy facility in Hartford the level of municipal waste being shipped to other states has doubled. Reversing this trend would mitigate cost to residents and business and improve our environment. This bill requires changes that will help make those reversals.

**Dylan de Thomas, Vice President of Public Policy, The Recycling Partnership.**

Mr. de Thomas testified in support of the bill but amendments.

1. Encourage the establishment of the EPR program with a single PRO for more effective and efficient implementation.
2. Clarifying language in the section of the bill condemning minimum recycled content.
3. Streamline the timelines and mechanics of the unique needs for the recycling systems across the state.

Our research shows that high recycling would return hundreds of tons or recyclable materials to market and creating hundreds of jobs.

**Sandra Grance, VP State Government Affairs, American Beverage Association:**

Ms. Grance testified that ABA supports the bill but has some key concerns. We would suggest the following improvements to the EPR program:

1. Clarify the scope of covered packaging
2. Eliminate the litter control mandates
3. Allow for only one producer responsibility organization
4. Reduce the six categories of program goals
5. The ten proposed fee factors are impractically complex
6. Reduce the severe penalties
7. Producers should receive priority access to recovered materials at market prices

The beverage industry has taken a proactive position and are committed to continuing.

**Aleta Greer, Sustainable Food Policy:**

Ms. Greer testified in support of the Extended Producer Responsibility but are concerned with the bill in its current form and have outlined our general comments in our testimony.

**Brian Paganini, Vice President and Managing Director, Quantum Biopower:**

Mr. Paganini testified that as a state-of-the-art food waste aerobic digester and capable of receiving packaged foods we have seen in the last seven years only about 15% of the food waste originating from Connecticut. Section three allows for new and existing regional or municipal waste authorities to form a direct relationship with our facility. Connecticut needs to recognize that to achieve end savings up front investments will be needed.

**Kate Bailey, Chief Policy Officer, Association of Plastic Recyclers:**

Ms. Bailey submitted testimony supporting the bill specifically Section 1-2. As the voice of plastics recyclers, we want to recycle more plastics, but we need your help to increase the number of plastics collected and to increase the utilization of recycled plastics into packaging. Sections 1-2 will result in more and better recycling of plastics and all materials. We are not collecting enough bottles, milk jugs and other common plastics for recycling. EPR policies are the most effective solutions to increasing the number of plastics collected for recycling.

**Greg Costa, Sr Director, Consumer Brands Association:**

Mr. Costa testified in support of the concept and shared some clear principles that will support the success of a packaging EPR model such as promoting uniformity, improve the underlying recycling system, embrace PRO, fund only recycling, bring everyone to the table, account for materials and include more than one source of funding.

**Lori Brown, Executive Director, CT League of Conservation Voters:**

*Ms. Brown testified that the bill should exclude Chemical Recycling as an acceptable technology to reduce our plastic waste. We also encourage incorporating mandatory, enforceable reduction targets and a strong state oversight.*

**Over 40 people also submitted testimony in support of the bill.**

**NATURE AND SOURCES OF OPPOSITION:**

**John Kissel, Senator, State of Connecticut:**

Senator Kissel opposes the bill because establishing and Extender Producer Responsibility program is costly for consumers and business and unnecessary. Connecticut is a leader in recycling and ranks consistently as one of the top states in recycling and waste management in the United States.

**Erin Stewart, Mayor, City of New Britain:**

Mayor Stewart submitted testimony in opposition to the bill. The bill creates an unfair financial burden on municipalities. The proposed increase in solid waste assessments creates a spike in costs to already budget strapped municipalities and service providers. The unrealistic "self-sufficiency" goals for a city like mine is totally unrealistic with the result of residents being unmotivated to participate. We must accept the economic realities. We must find the right solution to address the waste crisis we face and the flexibility so that our people can afford it, but this bill isn't the solution we are looking for.

**Tim Keeney, First Selectman, Somers,**

Mr. Keeney opposes the bill because it mandates for municipalities and business recycling of separated organic food wastes. The EPR system takes control of state and municipal recycling and assess fees. Our current waste management and recycling in municipalities is working well.

**Neil, Leary, Mayor, City of Waterbury:**

Mayor Leary opposes the bill and the fees it will increase on municipal solid waste. In Waterbury this could amount to an increase of hundreds of thousands annually. Managing universal access to separated food waste is unclear what the impacts will be to residents and municipalities.

**Paul Harrington, First Selectman, Town of Windsor:**

Mr. Harrington opposes the bill because the waste assessment fee and source separation places an unfunded mandate onto municipalities whose budgets are already stressed. Let the municipalities decide what works best for them.

**Abigail. Sztein Director Government Affairs, American Forest & Paper Association:**

Ms. Sztein testified that Extended Producer Responsibility has been discussed for over a decade as summarized in our attached Appendix One. The paper industry has demonstrated measurable record in success in making paper and paper-bases packaging sustainable through market-based approaches. The paper industry is committed to providing renewable sustainable and highly recycled products for consumers. Paper products do not belong in EPR concepts. There will be unintended consequences of EPR policies.

**Kevin Budris, Advocacy Director, Just Zero:**

Mr. Budris submitted testimony in opposition to the bill because Section 1 and 2 creates an EPR program for packaging programs, fail to exclude dangerous technologies, allow packaging industry to set their own recycling targets and no adequate penalties for non-compliance. Connecticut needs zero waste solutions.

**Karen Campbell, Executive Director, North Central Connecticut Chamber of Commerce:**

Ms. Campbell testified on behalf of NCCCC members in opposition because of the mandates and the extender produce responsibility program for paper and packaging products. Small business owners are concerned with the untended consequences and costs.

**Betsy Gara, Executive Director, CT Council of Small Towns:**

Ms. Gara testified in opposition to the bill. Imposing a fee on all waste shipped to out-of-state landfills is unfair to towns and increasing the assessments will impose a greater burden on towns and taxpayers. The bill fails to include measures supporting investment in the state's remaining waste-to-energy facilities. We must shore up the remaining waste-to-energy facilities and expand those facilities. A reliable revenue stream is what is needed to support continuation and expansion of waste-to-waste energy operations in Connecticut.

**Chris Edge, Economic Development Director, Town of Berlin:**

Mr. Edge testified that the bill creates just another Authority run, managed, and over seen by the State of Connecticut. The Connecticut Waste Authority is just a rehash of MIRA. I am concerned about the food scraps and food processing residue mentioned in Section 6 of the bill. I ask that you shelve this bill and work closely with the private sector to better handle the "hole" left by MIRA.

**Ryan Cournoyer, Process Engineer, Van Dyk Recycling Solutions:**

Mr. Cournoyer testified that, and Extended Produce Responsibility for PPP is unnecessary. It may do more damage to what's good in our recycling system. We have been involved in Material Recover Facility design and construction across North America since 1984. Private haulers, MRF operators and other recyclers continue to move forward in improving the state's recycling system. The Murphy Road Recycling MRF in Berlin is operating at high efficiencies and many have come to take note on how to improve their facilities.

**Michael O'Friel, Senior Vice President, Waste Innovations:**

Mr. O'Friel testified that as a private waste services company from Portsmouth, New Hampshire and one of the largest services companies in Connecticut we oppose the bill. There are elements of the bill we support but we are opposed because it establishes an Extender Producer Responsibility and doubles the solid waste assessment on WTE facilities

**Jason Manafort, President, CWPM:**

Mr. Manafort opposes the bill for many reasons. If implemented the bill will cause material harm to the residents, businesses, cities, and towns in Connecticut. The proposal represents a rush to final judgment as opposed to a methodical and judicious approach. We risk going in a direction that will be difficult to deviate from in the future.

**Carlos Gutierrez, Vice President, Consumer Healthcare Products Association:**

Mr. Gutierrez opposes the bill but recommends changing the bill to avoid conflict between Connecticut law and existing federal law exempting FDA approver consumer healthcare products. The Consumer Healthcare Products have included amendment language in their testimony for exempting these products.

**Paul Harvey, Director of Regulatory Affairs, Northeast Dairy Foods Association:**

Mr. Harvey testified that the bill does not account for the significant strides the agricultural industry has taken. Many of our members conduct business in multiple states and this bill would significantly increase the cost of business and place dairy products produced in Connecticut at a disadvantage. Requiring food and beverage manufactures to absorb additional costs places an unnecessary additional risk on business who are already struggling.

**Frank Antonacci, Chief Operating Officer, Murphy Road Recycling:**

Mr. Antonacci testified about how last year and this year he is presenting Murphy road Recycling, the most innovative recycling facility in the country. Murphy Road Recycling and its affiliated companies own sever recycling and waste companies in Connecticut. Connecticut's current recycling system is exceptional and we at MRF are driving our state forward. Given the success of Connecticut's recycling EPR for PPP is unnecessary and would be detrimental to our recycling system and industry.



**Ashley Zane, Government Affairs Associate, Connecticut Business & Industry**

**Association:**

Ms. Zane testified on how the bill will increase costs to consumers and impact lower income households. If the cost of packaged goods increases by only 6% that is an additional \$700 per year for an average household of four. Advocates claim this program will decrease costs to municipalities but 100 of the 169 municipalities do not pay for the cost of recycling the cost is to the residents thru private haulers. CBIA suggests we commit significant resources to better understand the environmental impacts the MIRA property will have on the state.

**Lewis Dubuque, Vice President, National Waste & Recycling Association:**

Mr. Dubuque testified that this bill is another ill-advised attempt at legislating a solution to a problem that does not exist. We requested DEEP's records thru a FOIA and found that the numbers have no basis in fact. They also show that EPR will have a detrimental impact on small haulers and facility operators in Connecticut. There is a simpler and more effective solution in the bill to increase recycling and that is setting reasonable post-consumer content standards.

**Jim. Hayden and Mark Daley, Materials Innovation and Recycling Authority (MIRA):**

Mr. Hayden and Mr. Daley submitted similar testimony on the bill. Establishing the Connecticut Waste Authority as a successor and then the Department of Administrative Services to MIRA will divide up MIRA's authority. All this occurs while we have contracts and agreements in place. MIRA customer towns have interests and agreements, and Section 13 of the bill is at odds with these interests. We also have major problems with Section 11 designating DEEP as the sole decision maker and Section 15 that proposes to terminate MIRA's current Board of Directors.

**Wayne Pesce, President, Connecticut Food Association:**

Mr. Pesce testified that any EPR program be developed with the following:

1. Connecticut Municipal Governments
2. The Packaging Industry
3. The Waste Management Industry
4. Retailer/Supplier Industry

It should also be administered by private enterprise with oversight from DEEP. This bill lacks clarity in the role of a retailer as to the definition of a producer.

**Tim Phelan, President, Connecticut Retail Network:**

Mr. Phelan testified that the bill's impact will be felt primarily by retailers and consumers thru increased costs. Consumers would be hit with an additional fee and retailers have yet another fee to be collected and remitted to another stewardship organization. Just another tax on retailers and retail customers.

**Mike Quattromani, Rand-Whitney Containerboard:**

Mr. Quattromani testified that as a leading innovator for over 75 years in the packaging industry we take strong exception to the provisions of the bill that relate to Extended Producer Responsibility. We share the state's goals of increasing paper and packaging recovery and in our Montville mill we are the only mill in the United State that uses 100 percent recycled fiber and water. The state can support paper-based packaging recycling's success by avoiding mandates and rules that dictate product contents.

**Shelly Sayward, General Council, Casella Waste Systems, Inc:**

Ms. Sayward testified that the recycling system is not broken, On one of my visits to Casella's seven material recovery facilities in the Northeast haulers are delivering packaging and paper materials that are getting sorted and then processed for sale to end markets. We are concerned with the increase in fees for solid waste management. This comes at a time when the public is contending with incredible inflation and increasing fees seems unfair and unwanted. I am not aware of any other state in the Northeast that has such a fee structure.

**The following also submitted testimony in opposition to the bill:**

Ann Gadwah, Advocacy and Outreach Organizer, Sierra Club Connecticut

Danielle Franks

Calvin Lakhan, Professor, York University

Carol Martel, Northeast Counsel Wine-Institute

Ian McDonald

Edmond Mone

Kevin O'Brien Manchester Chamber of Commerce

Elizabeth Risbeck, Groton Conservation Advocates

Garrett Sheehan, President, Greater New Haven Chamber of Commerce

Mara Shulman, Senior Attorney, Conservation Law Foundation

Gretchen Spear, International Paper, Col

**Reported by: Pamela Bianca**

**Date: March 31, 2023**