

DEEP Beverage Container Recycling Grant Program

(pursuant to [June Special Session, Public Act No. 21-2](#))

SCOPING DOCUMENT AND OPPORTUNITY FOR PUBLIC COMMENT

November 9, 2021

Request for Public Comment

The Department of Energy and Environmental Protection (DEEP) is launching a beverage container recycling (a.k.a. Bottle Bill) grant program to support the establishment of beverage container redemption centers in urban centers and environmental justice communities. It is essential that all Connecticut residents have reliable and convenient access to redeem containers, and there is a clear need to expand such access in our urban centers. Establishing such access is critical before expansion of the types of covered containers on January 1, 2023 and the increase in the deposit to \$0.10 on January 1, 2024.

On July 16, 2021, DEEP released a [Notice of Proceeding](#) to solicit stakeholder comments on the overall objectives, process, and other components of bottle bill-related items included in [Public Act 21-58](#) and [June Special Session Public Act 21-2](#), such as the beverage container recycling grant program. The Notice asked the following regarding the beverage container recycling grant program:

Beyond the criteria specified in Section 65 [of June Special Session Public Act 21-2], are there any other criteria or considerations DEEP should take into account to optimize redemption center grant funding to (a) ensure equitable access to redemption, (b) support economic development opportunities in underserved communities, (c) expand consumer access to redemption, and (d) provide for compatibility of investments with a potential future transition to a stewardship organization-led redemption program.

Many of the comments DEEP received were broad in nature. Those comments included:

- DEEP should consult with producers or the stewardship organization envisioned in Public Act 21-58 before siting new redemption centers (American Beverage Association);
- DEEP should offer application assistance (CT Bottle Bill Works Coalition);
- “Underserved Communities” should be clearly defined (ReLoop);
- Applicants should provide specific information to DEEP, such as proof of lease/property deed, credit score, etc. (Central Connecticut Redemption Center);

- There is a great need for redemption centers in environmental justice communities and DEEP should use available tools (such as GIS) to identify optimal redemption center locations (several);
- Redemption services should be modern and convenient (several).

All comments received from the July 16 Notice can be accessed on [DEEP's website](#).

June Special Session Public Act 21-2 requires that DEEP issue, not later than December 1, 2021, a grant application process that distributes such grant proceeds and sets forth additional requirements. The application will include instructions to applicants, program priorities, criteria for evaluation and a grant program timeline. In preparation of this issuance requirement, DEEP is releasing this Scoping Document that provides more detail than the July 16 Notice. DEEP requests comments and feedback on the Scoping Document from interested parties and stakeholders. DEEP is requesting more specific feedback than was received from the July 16 Notice. Please send all correspondence via email in PDF format to DEEP.RecyclingProgram@ct.gov by **10 am on Wednesday, November 17, 2021**.

Commenters are encouraged to answer the following questions:

1. What types of information should DEEP request from applicants?
2. What factors should DEEP evaluate when reviewing applications?
3. What siting criteria within urban centers and environmental justice communities should DEEP prioritize for optimal redemption center location – for example, should eligibility for funding through this program be limited to new redemption centers that are located more than a one-mile radius from existing redemption center? Should that radius be greater in municipalities with lower population densities?
4. Should DEEP require performance reporting from grantees? What metrics should be included in such reporting?
5. Should DEEP include certain minimum processing capacity or technology/equipment requirements for eligible grantees? What should be the minimum processing capacity be for a grantee?
6. Should DEEP consider providing additional grant funding after the first year of operation based on performance metrics—for example, a standard “cents-per-container” calculation based on the number of containers redeemed by the grantee in the prior year of operation?
7. What other grant program priorities should DEEP consider? What other questions should DEEP address in the final grant program application process?

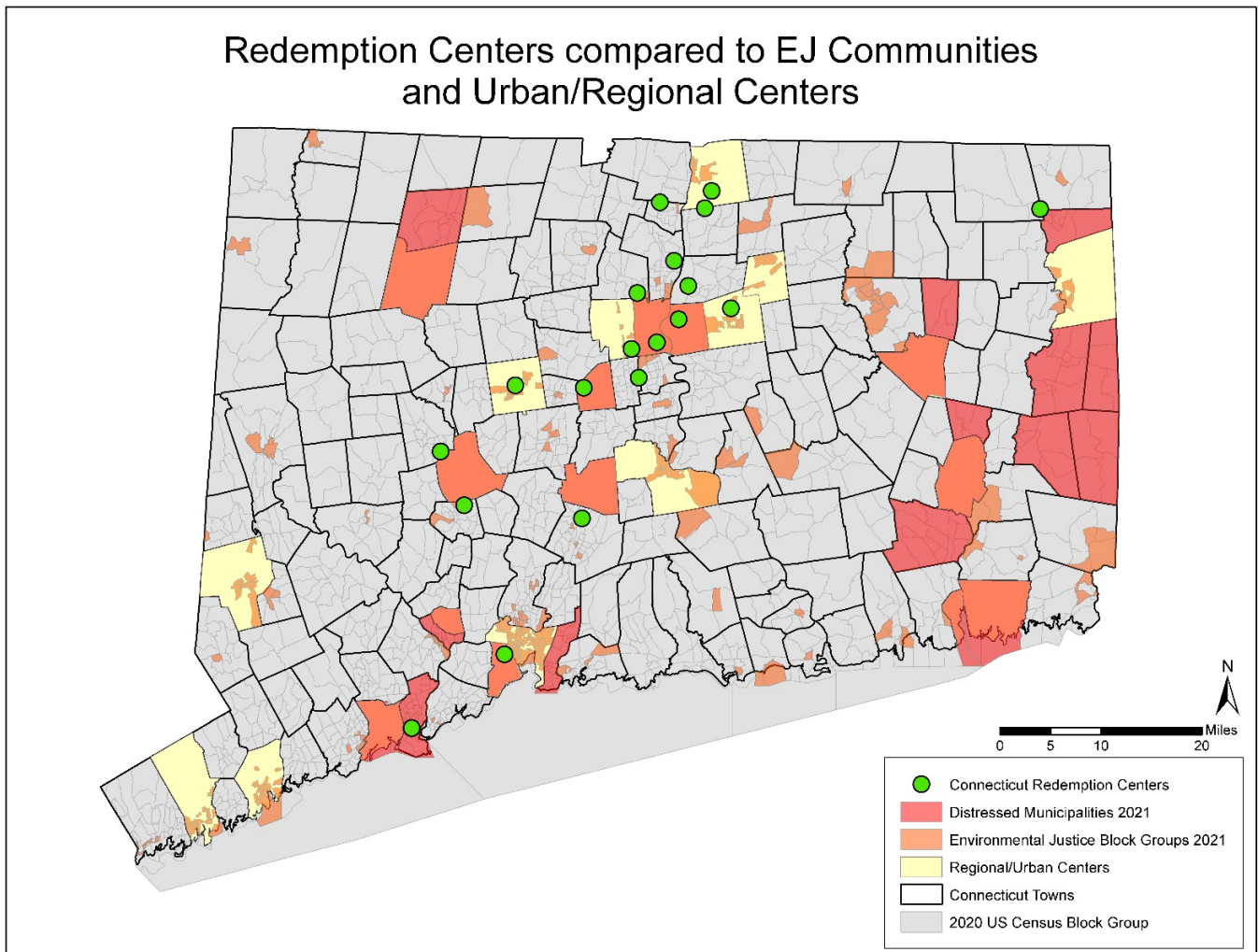
Scoping Document

Beverage Container Recycling Grant Program Requirements

Eligible Uses of Funding; Award Amounts (Initial & Potential Subsequent Award)

Per statute, any grant awarded pursuant to the grant program described in this section shall not exceed **\$150,000** in any state fiscal year. Grant proceeds received pursuant to the beverage container recycling grant program may be used for **infrastructure, technology and costs associated with the establishment of a beverage container redemption center and for initial operational expenses** of such redemption center. Grantees will be eligible to receive a maximum of \$150,000 during the initial award year, to apply towards such eligible expenses. After the first year, DEEP may elect to award additional forgivable grants to apply towards such eligible expenses, where the amount of such grant awards may be calculated by performance-based metrics.

All moneys shall be used to provide forgivable grants in **urban centers** and **environmental justice communities**. For the purposes of this grant program "urban center" has the same meaning as "regional center"ⁱ, as contained in the state plan of conservation and development. "Environmental justice community" has the same meaning as provided in section 22a-20a of the general statutesⁱⁱ, and "beverage container"ⁱⁱⁱ and "redemption center"^{iv} have the same meanings as provided in section 22a-243 of the general statutes, respectively. Please refer to the following map to see where such geographic areas are located in Connecticut.



The beverage container recycling grant program shall provide funding for new beverage container redemption centers that are located in communities that lack reliable and convenient access to beverage container redemption locations. Such grant program shall prioritize the award of such grants to first-time redemption center owners and locally-owned, minority-owned and/or women-owned businesses.

Applicants are encouraged to carefully evaluate and document the following factors when proposing to site new redemption centers, including:

- Proximity to already-existing redemption centers and other proposed new redemption centers;
- Safe pedestrian access to the site;
- Accessibility of the site to public transportation;
- Population density surrounding the site;
- Attributes that make the site and technology convenient for the customer;
- Type of redemption technology to be deployed;
- The volume of beverage containers sold within the likely service area of the redemption center.

Applications will be accepted on a rolling basis and evaluated based on the above factors.

Any person or entity that receives a grant award pursuant to the beverage container recycling grant program shall, not later than October first of each year, submit to DEEP a financial audit of grant expenditures by such person or entity until all grant moneys have been expended by such person or entity. Any such audit shall be prepared by a certified independent auditor, and if DEEP finds that any such grant is used for purposes that are not in conformity with the uses set forth in this section, DEEP may require repayment of such grant.

Grant Program Implementation

While this grant program is dedicated to the development of new redemption centers, DEEP recognizes there is a need to ensure that existing facilities will also be able to manage an increased bottle redemption market by 2024. Therefore, DEEP will consider funding grant requests from existing redemption centers that are located in urban centers and Environmental Justice communities for infrastructure and new technology investments upon available funding and once the priority for new facilities is met.

DEEP recognizes that applicants may need assistance developing a business plan. While DEEP cannot be involved in developing a business plan with applicants, there are resources available, such as the [Connecticut Small Business Development Center](#), that can assist applicants create a successful application.

Questions

Do you have questions about this document or the beverage container recycling grant program? Send an email to DEEP.RecyclingProgram@ct.gov with your inquiry and we will get back to you.

ⁱ The most recent state plan of conservation and development lists these following municipalities as “**regional centers**”:

Ansonia, Bridgeport, Bristol, Danbury, East Hartford, Enfield, Groton, Hartford, Killingly, Manchester, Meriden, Middletown, New Britain, New Haven, New London, Norwalk, Norwich, Stamford, Torrington, Vernon, Waterbury, West Hartford, West Haven, and Windham.

ⁱⁱ CGS 22a-20a defines “**environmental justice community**” as:

“...(A) a United States census block group, as determined in accordance with the most recent United States census, for which thirty per cent or more of the population consists of low income persons who are not institutionalized and have an income below two hundred per cent of the federal poverty level; or (B) a distressed municipality, as defined in subsection (b) of section 32-9p;”

ⁱⁱⁱ “**Beverage container**” means the individual, separate, sealed glass, metal or plastic bottle, can, jar or carton containing a carbonated or noncarbonated beverage, but does not include a bottle, can, jar or carton (A) three liters or more in size if containing a noncarbonated beverage, or (B) made of high-density polyethylene.

^{iv} “**Redemption center**” means any facility established to redeem empty beverage containers from consumers or to collect and sort empty beverage containers from dealers and to prepare such containers for redemption by the appropriate distributors.