

TODAY'S AGENDA

- 1. Housekeeping and Logistics
- 2. DEEP Presentation: Cross Border Redemption
- 3. Presentation: Patina Chacon and Monique Wilkerson, CalRecycle
- 4. Presentation: Mike Noel, TOMRA
- 5. Open Discussion
- 6. Next Steps

HOUSEKEEPING AND LOGISTICS

This meeting is being recorded.

Please remain muted unless you are speaking.

An hour is budgeted for this meeting.

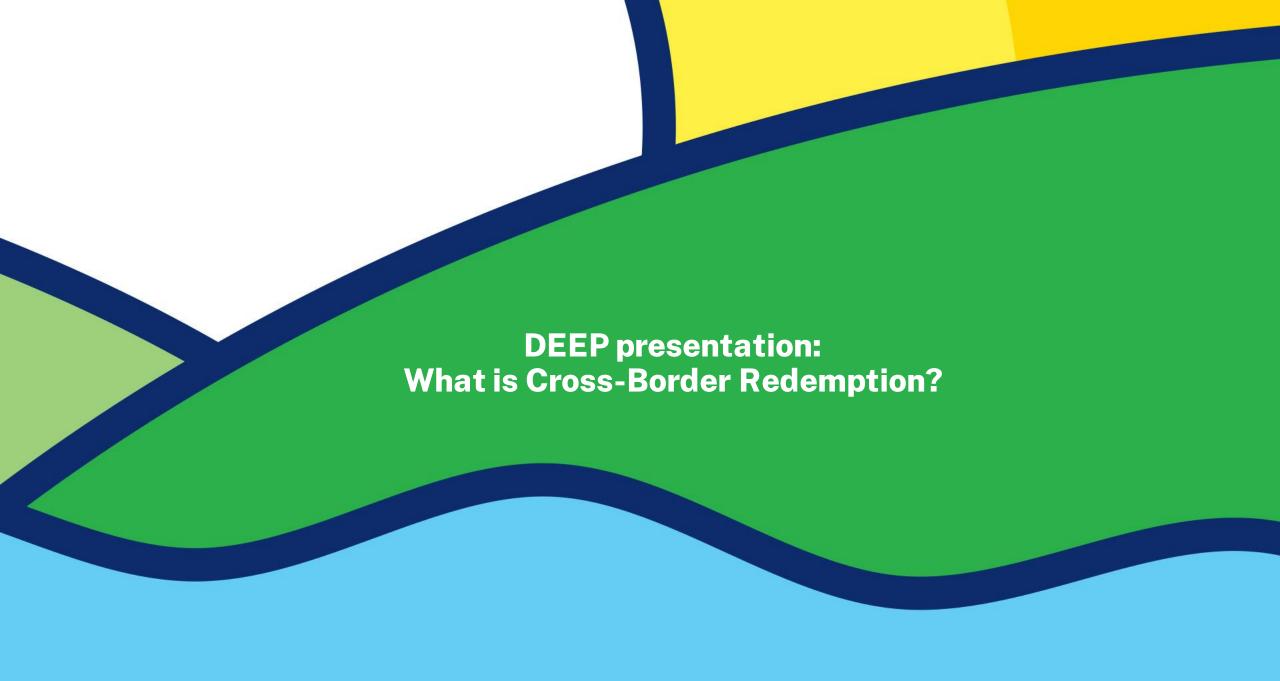
We will have an open discussion after the presentation.

DEEP will continue to hold Bottle Bill Advisory Group meetings once a month between now and the end of the calendar year.

DEEP encourages stakeholder feedback during this process. Feedback can be provided orally during these meetings, or via email to DEEP.MMCAPlanning@ct.gov.

PURPOSE OF ADVISORY GROUP

- DEEP has received a significant number of questions about Bottle Bill changes and has seen substantial interest from consumers, retailers, distributors and legislators
- DEEP is committed to transparency, predictability, and efficiency in agency processes and has determined that continued stakeholder engagement is warranted and will provide for effective implementation of the Bottle Bill
- DEEP is hosting a series of meetings to engage all stakeholders and legislators in a Bottle Bill Advisory Group to solicit input on the areas of interest and question regarding various components of Bottle Bill implementation
- Meetings are held virtually, noticed in advance and include 1) presentations by DEEP staff and others on relevant issues requiring stakeholder education, engagement or feedback and 2) an opportunity for input from meeting participants

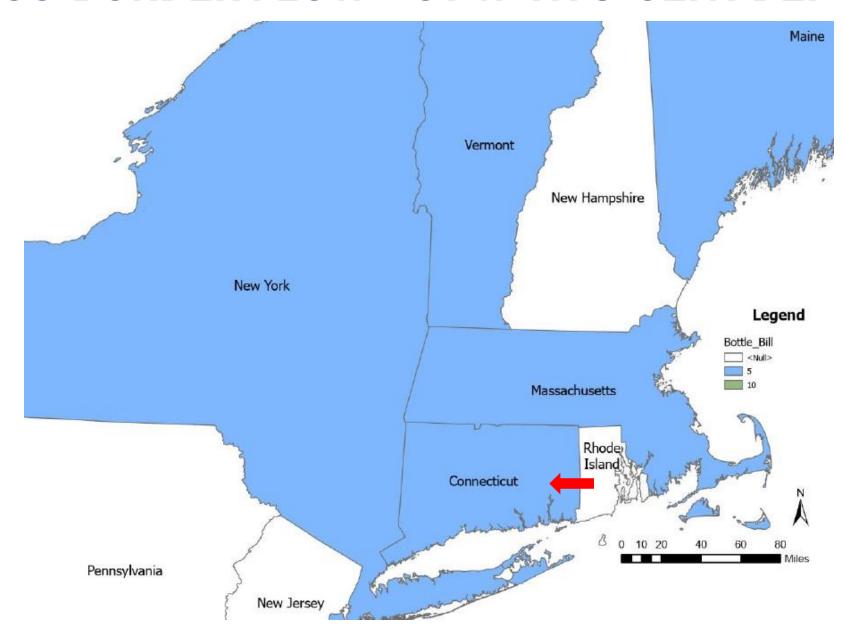


CROSS-BORDER REDEMPTION

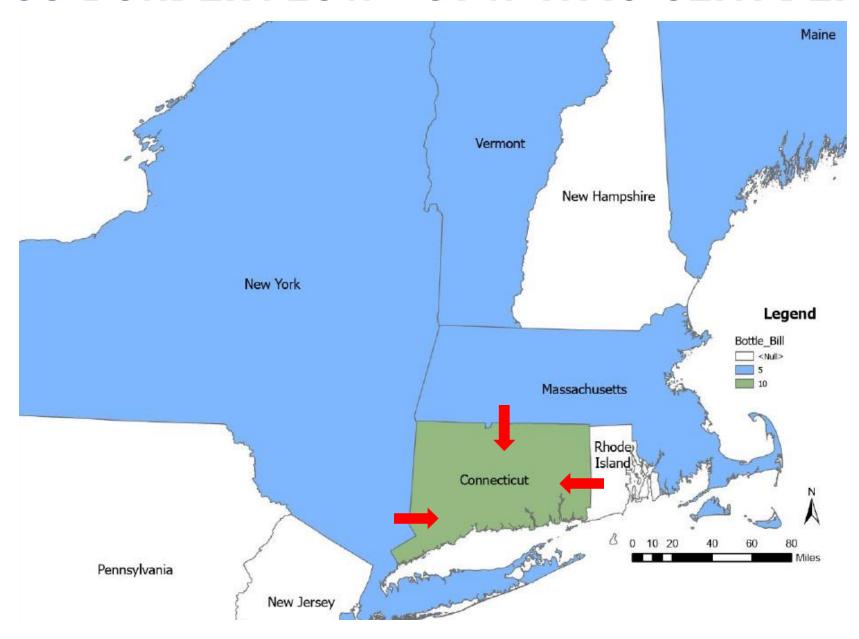
• In Connecticut, cross-border redemption happens when beverage containers not sold to consumers in CT (and for which no initial deposit in CT is paid) are redeemed in CT for the deposit amount.

Example: Soda containers sold in RI with CT deposit labeling are redeemed in CT

CROSS-BORDER FLOW – CT WITH 5-CENT DEPOSIT



CROSS-BORDER FLOW – CT WITH 10-CENT DEPOSIT



FOOLPROOF PLAN TO REDEEM NY CONTAINERS IN MI



CT STAKEHOLDERS NEGATIVELY IMPACTED BY CROSS-BORDER REDEMPTION

- State of CT: Portion of the pool of unclaimed deposits that goes to the state's General Fund is reduced
- Beverage Distributors: Portion of the pool of unclaimed deposits that goes to distributors is reduced
- Beverage Distributors: Must pay handling fees for all containers redeemed in CT
- Beer, hard seltzer, hard cider, other malt beverages 2.5¢, All other covered beverages 3.5¢
- CT Retailers: Extra burden on bottle return rooms, especially those closest to state borders. More potential RVM downtime for regular customers if machines fill too quickly.

SCOPE OF PROBLEM

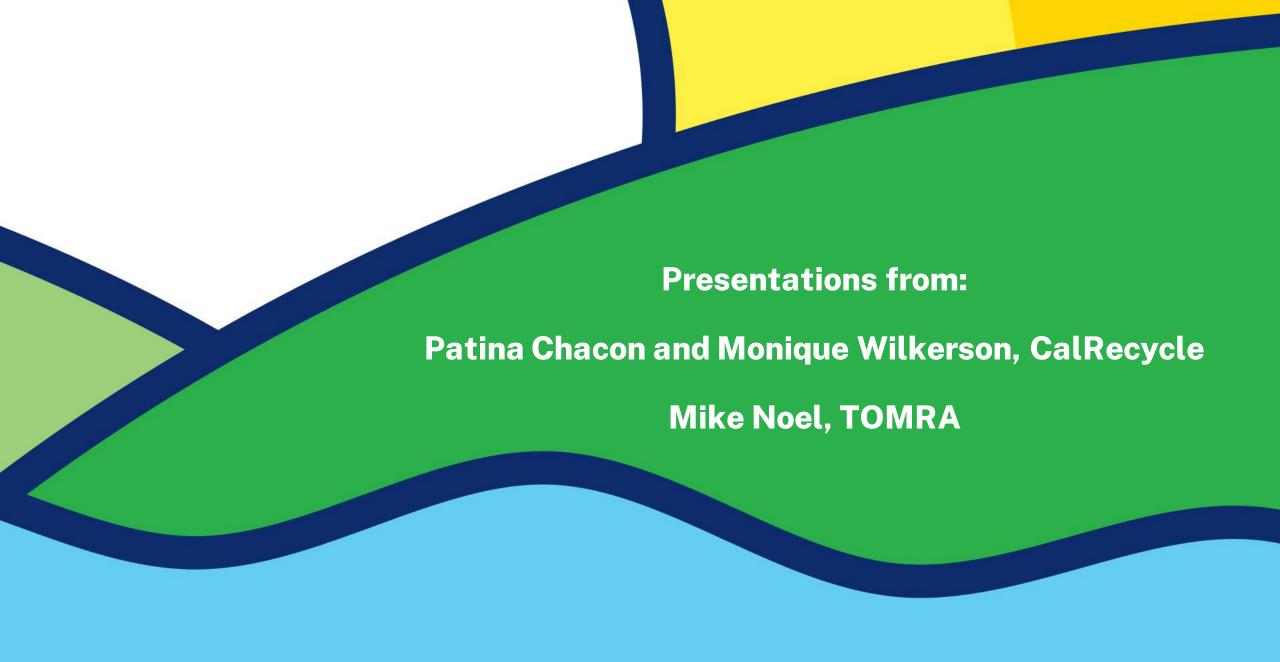
- Difficult to quantify amount of cross-border redemption actually happening
- After the CT deposit increases to 10 cents, Reverse Vending Machine (RVM) companies could compare redemption rate increases at RVMs in border towns compared to non-border towns to assess whether the increases in the border areas are noticeably higher.
- CT has limited enforcement capabilities to investigate & mitigate crossborder redemption.
- DEEP expected that a bottle bill stewardship organization, if formed, could take a lead role in addressing cross-border redemption.

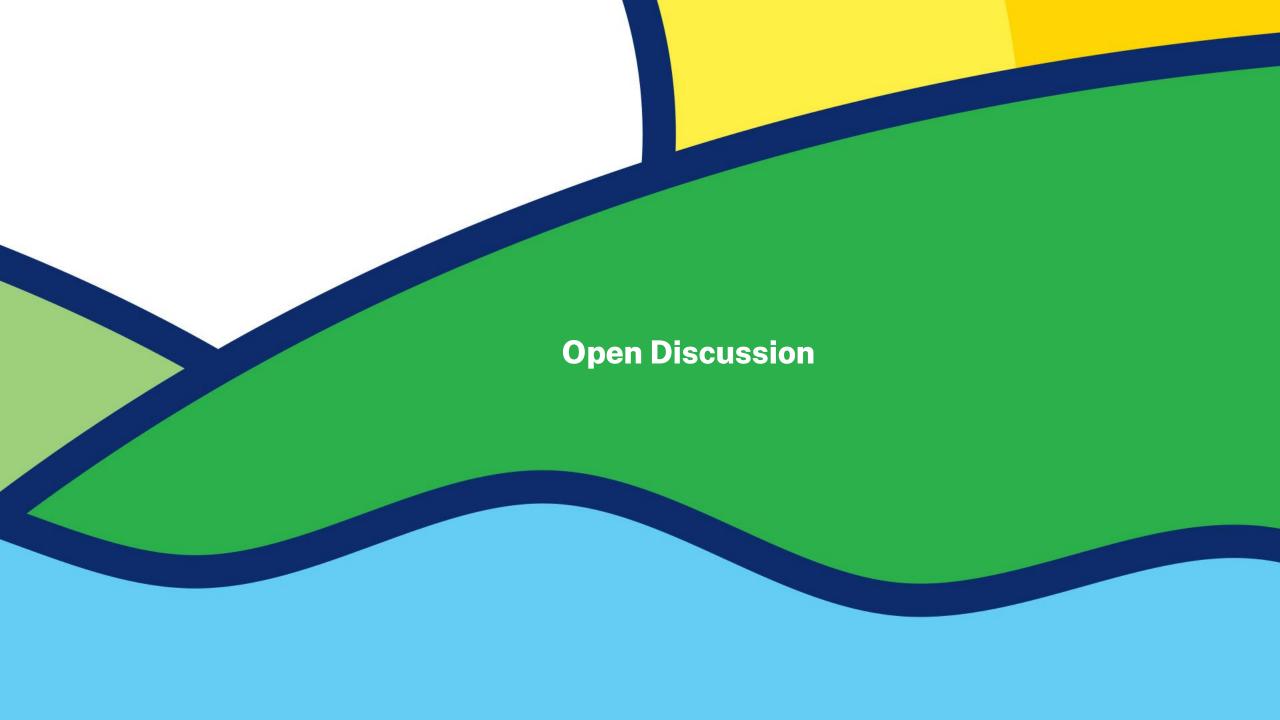
CROSS-BORDER ISSUE IN MICHIGAN

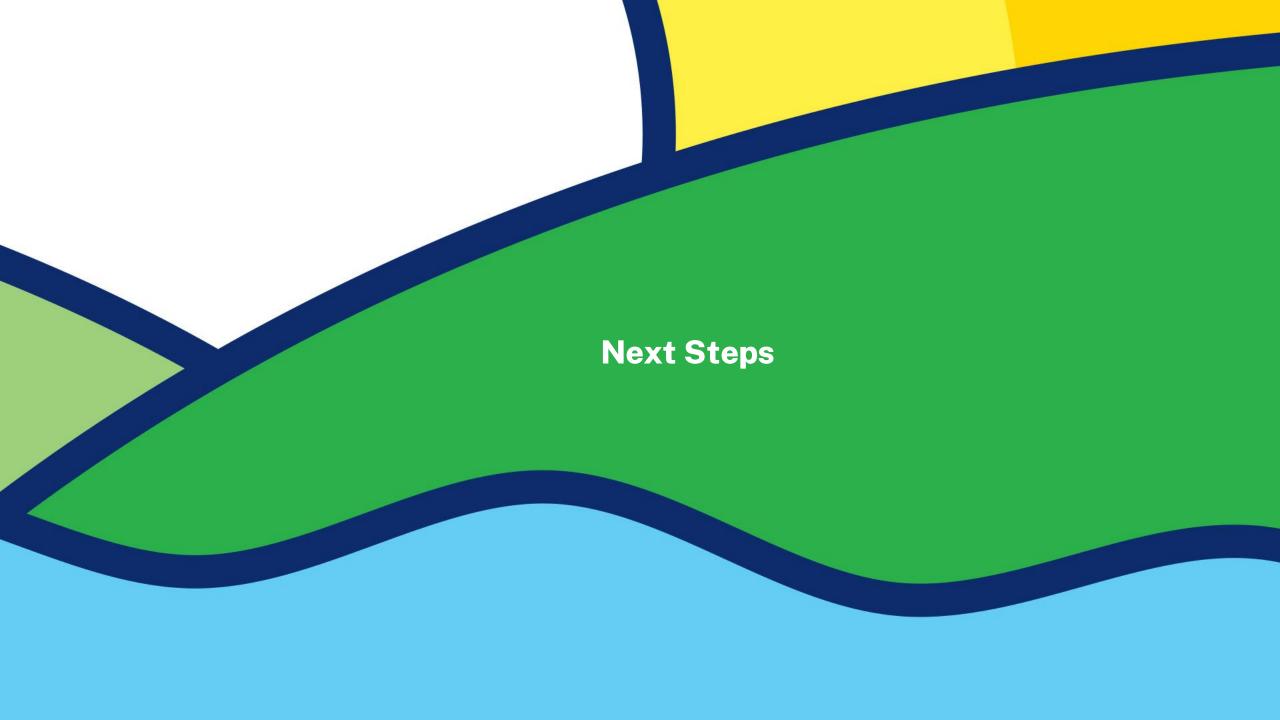
- 445.574a Prohibited return to dealer, distributor, or manufacturer; violation; penalty; exceptions; restitution; action brought by attorney general or county prosecutor.
- •Sec. 4a. (1) A person shall not return or attempt to return to a dealer for a refund 1 or more of the following:
- (a) A beverage container that the person knows or should know was not purchased in this state as a filled returnable container.
- (b) A beverage container that the person knows or should know did not have a deposit paid for it at the time of purchase.

From a WasteDive article from 12/03/2012:

- Michigan lost a legal battle requiring all bottles and cans manufactured in Michigan to have Michigan-specific markings.
- The bill was rejected in federal appeals court after the American Beverage Association objected on the ground that the requirement essentially forced them to make a Michigan-only product, an unfair burden for them.
- Michigan is one of ten states that require a deposit on plastic bottles; in a 1998 a study estimated that the state loses \$15.6 million to \$30 million every year from collectors bringing in bottles from other states.







NEXT STEPS

- Next meeting: Dec 18, 1:00 pm
 - Register here
- Sign up for Bottle Bill Stakeholder Process email list
- Any additional questions or feedback can be submitted via email to <u>DEEP.MMCAPlanning@ct.gov</u>