



BOTTLE BILL ADVISORY GROUP

December 18, 2023

Bureau of Materials Management and Compliance Assurance

TODAY'S AGENDA

- 1. Housekeeping and Logistics**
- 2. DEEP Presentation: Stewardship Organization provisions in P.A. 21-58**
- 3. Presentation: Ken Friesen, Reclay StewardEdge**
- 4. Presentation: Mike Noel, TOMRA & Jude Malone, CBWA**
- 5. Presentation: Dan Kiley, CLYNK**
- 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



**DEEP presentation: Stewardship
Organization provisions in P.A. 21-58**

PUBLIC ACT 21-58, SECTION 9 (CGS 22A-246B)

- **CT DEEP shall approve the formation of a beverage container stewardship organization** constituted by deposit initiators if such organization submits an application to the commissioner that demonstrates such organization meets the following criteria:
 - (1) The organization is established and operated as an organization described in section 501(c)(3) of the Internal Revenue Code of 1986, as amended from time to time, and is exempt from taxation under said section,
 - (2) the governing board of such organization consists of deposit initiators that represent the range of beverages and beverage container materials subject to the state's beverage container redemption program, and
 - (3) such organization demonstrates that it has adequate financial responsibility and financial controls in place, including fraud prevention measures and an audit schedule, to ensure proper management of funds.

STEWARDSHIP PLAN REQUIREMENTS (IN STATUTE)

(c) On or before July 1, 2022, any organization approved... shall submit a plan... Such plan shall demonstrate... how such organization will operate and finance a program to provide for the redemption and recycling of beverage containers in the state, including, but not limited to:

- (1) Achieving and exceeding an **annual redemption rate of eighty per cent** by a specified timeline,
- (2) achieving **financial self-sustainability**,
- (3) achieving verifiable performance metrics for **enhanced customer satisfaction** with the beverage container redemption system,
- (4) adopting policies and making investments to ensure that **recovered materials are returned to their highest and best use**,
- (5) providing a detailed description of **how existing collection and redemption centers throughout the state are to be utilized** as part of such beverage container stewardship program,

STEWARDSHIP PLAN REQUIREMENTS (CONT)

- (6) disclosing applicable rates of redemption as of the time of such plan and those projected over the next five years under the proposed beverage container stewardship program and the recommended refund value for such containers that is necessary to achieve such redemption rates,
- (7) identifying how the plan will **yield costs to the state or any participant of said program,**
- (8) specifying revenues that escheat to the state pursuant to said beverage container stewardship program and any projected diminishment in the state's use or collection of such revenues in the next five fiscal years beginning July 1, 2022,
- (9) identifying any legislative changes necessary to carry out such plan, and
- (10) any other parameters or requirements specified by the commissioner. The commissioner shall not approve any such plan without verification that such organization obtained input from members of the independent redemption centers community, municipal resource recovery facilities, municipal leaders, wine and spirits distributors and reverse vending machine operators.

ADDITIONAL DESIRED GOALS FOR STEWARDSHIP ORG

- **Ensure that independent redemption centers remain an important part of the state's redemption network;**
- **Increase customer convenience (proximity of drop-off locations and increase in types of redemption options offered);**
- **Compilation and submission of better program data by the stewardship organization (more than just the quarterly redemption information currently estimated from CT DRS data);**
- **Creation of a product registry to compile a clear list of what beverages are in the program – more transparency as to what is “in”;**
- **Develop strategies to address cross-border sales and redemption issues;**
- **Compliance assessment role**
- **Develop and share public / consumer education**

PROCESS TIMELINE

- Stewardship Organization application received by DEEP on **01/03/22**
- Draft Stewardship Plan submitted to DEEP on **07/01/22** (statutory deadline)
- Multiple meetings held with proposed stewardship organization to enhance/finalize plan before making it available for public / stakeholder feedback. Most recently met with organization on **01/12/23**.
- DEEP report to legislature sent on **10/06/22** (statutory deadline was 10/01/22)
 - “At this point in time, DEEP is not in a position to be able to provide specific recommendations regarding the stewardship plan because the plan lacks sufficient detail.”
 - “Following the release of an updated draft stewardship plan, a public comment period, and further review of the plan, DEEP will be able to provide such recommendations.”
- Environment Committee chairs responded to DEEP with letter on **01/25/23** stating:
 - “limited statutory authority granted to DEEP under Section 9 of Public Act 21-58 has expired”
 - “We conclude that any further actions on the part of DEEP to implement a beverage container stewardship organization... would be unauthorized”
 - If the applicant or DEEP wishes to pursue the formation of a Beverage Container Stewardship Organization in the future, legislative action is needed by the Environment Committee and the CT General Assembly

CONCERNS REGARDING A STEWARDSHIP ORG

- **Would costs to producers and/or distributors to run the redemption system go up?**
- **Would there be adequate safeguards to protect existing (and new) independent redemption centers?**
- **A stewardship organization would become the new “top dog” in CT’s redemption system.**

DEEP understands the potential opposition to the existence of a Stewardship Organization by some stakeholders, but the agency was focused on making its creation a positive improvement to the current system.

CT is a state that has had much success with Extended Producer Responsibility (EPR) programs, and feels that the establishment of a Container Deposit Stewardship Organization would further modernize CT’s program by requiring the producers to take a more prominent role in ensuring the success of CT’s program.



**Presentation from:
Ken Friesen, Reclay StewardEdge**



Presentations from:

Mike Noel, TOMRA

Jude Malone, CT Beer Wholesalers Association

PUBLIC EDUCATION ON DEPOSIT INCREASE

P.A. 23-76 Section 3:

(a) On and after January 1, 2024, each distributor and dealer shall undertake efforts to educate consumers of the ten cent redemption value for beverage containers.



**Presentation from:
Dan Kiley, CLYNK**

A stylized, colorful landscape illustration. The top right corner features a bright yellow sun. Below it is a large green hill with a dark blue outline. The bottom of the image shows a light blue area representing water, also with a dark blue outline. The text "Open Discussion" is centered on the green hill.

Open Discussion

A stylized, colorful landscape illustration. The top right corner features a bright yellow sun. Below it is a large green hill with a dark blue outline. The bottom of the image shows a light blue area representing water, also with a dark blue outline. The text "Next Steps" is centered on the green hill.

Next Steps

NEXT STEPS

- **Next meeting: TBD**
 - No set schedule for meetings moving forward, but future meetings may be held on a quarterly basis
- **Sign up for Bottle Bill Stakeholder Process email list**
- **Any additional questions or feedback can be submitted via email to DEEP.MMCAPlanning@ct.gov**