79 Elm Street • Hartford, CT 06106-5127

www.ct.gov/deep

Affirmative Action/Equal Opportunity Employer

# July 16, 2021

## DEEP Implementation of Public Act 21-58: Bottle Bill Modernization

# NOTICE OF PROCEEDING, SCOPING MEETING AND AN OPPORTUNITY FOR PUBLIC COMMENT

With the passage of Public Act 21-58, An Act Concerning Solid Waste Management, as well as June Special Session, Public Act 21-2, An Act Concerning Provisions related to Revenue and Other Items to Implement the State Budget for the Biennium Ending June 30, 2023, Connecticut is poised for the most significant transformation of its beverage container redemption program (i.e., Bottle Bill) since the program was first implemented in 1980. The Bottle Bill, also known as a container redemption program, places a deposit on a container at the time of purchase and returns that deposit to the consumer when the empty bottle is returned. The containers may be returned to their place of purchase or to container redemption centers. While the Bottle Bill is a critical part of Connecticut's recycling and litter-reduction program – present redemption rates average about 50%. Other states who have modernized their infrastructure and laws, have achieved redemption rates approaching of upwards of 90%. The Bottle Bill provides source-separated material that can be readily recycled into new containers or other products.

Public Act 21-58 provides for an increased handling fee for containers effective October 1, 2021; expands the containers covered under the Bottle Bill effective July 1, 2023; and increases the deposit on containers effective January 1, 2024 in addition to other requirements aimed at making redemption of containers more convenient for consumers. The Public Act also sets the stage for future enhancements to the bottle bill through a series of actions. The Connecticut Department of Energy and Environmental Protection (DEEP) has responsibility for several Bottle Bill-related actions pursuant to recent legislative actions including:

- Section 8 of Public Act 21-58 requires DEEP to develop the terms for a memorandum of agreement
  that provides for the in-state processing of not less than eighty per cent of the wine and liquor
  beverage containers sold in this state into furnace-ready cullet or by- product that is melted or
  otherwise used in cement, glass or fiberglass products.
- Section 9(a) of Public Act 21-58 authorizes DEEP to approve the formation of a beverage container stewardship organization, if it meets certain criteria spelled out in Section 9(a). The statute does not specify a deadline for a stewardship organization to apply to DEEP for such approval.
- Section 9(c) requires any beverage container stewardship organization approved under Section 9(a) to submit a plan for a state-wide beverage container stewardship program on or before July 1, 2022, reflecting verified input from specified stakeholders. Section 9(b) charges DEEP with the review and approval of such plan, which must include certain criteria specified in the statute, and any additional

- parameters or requirements specified by DEEP. Section 9(d) requires DEEP to submit recommendations to the Environment Committee of the General Assembly regarding the plan.
- Section 65 of June Special Session Public Act 21-2 charges DEEP with establishing a grant program to support the development of new redemption centers and modernize existing redemption centers.

As a first step in effectively implementing the above responsibilities, DEEP is convening a stakeholder engagement process on **DEEP Implementation of Public Act 21-58: Bottle Bill Modernization** to identify overall objectives, process, timeline, and other components of this implementation that DEEP should consider, within the framework established by P.A. 21-58 and June Special Session Public Act 21-2. To advance the legislative requirements and support the broader goals of the State's Comprehensive Materials Management Strategy, DEEP proposes several tentative objectives to guide its implementation of relevant sections of Public Act 21-58:

### <u>Tentative Objectives:</u>

- Increase the percentage of covered containers that are redeemed and returned through the container redemption program
- Ensure convenient access to redemption for *all* Connecticut consumers, through strategies and approaches that reflect the specific needs and circumstances of individual communities.
- Promote economic development opportunities related to container redemption, and ensure efficient and sufficient investment in redemption infrastructure
- Minimize any potential fraud including cross-border redemption
- Facilitate a long-term solution for wine and spirit product containers
- Ensure that recovered materials are used for their highest and best use

# **Proposed Topics**

# **Overall Objectives**

1. Are the tentative objectives listed above the right objectives to guide DEEP's implementation of its responsibilities with respect to the Bottle Bill? Are there other objectives that should be included? Are there special considerations related to how these objectives should be balanced?

Bottle Bill Stewardship Organization Approval. DEEP is contemplating publishing a request for applications for a stewardship organization, which could specify criteria that an applicant should meet. To inform this Request for Applications, consider the following questions:

- 2. How should DEEP apply the criteria in Section 9(a) in approving an application from a beverage stewardship organization for approval? Are there particular substantive or procedural criteria that DEEP should require or encourage applicants to meet?
- 3. What guiding principles should govern the formation of a stewardship organization?
- 4. Given the need to approve a stewardship organization in advance of the July 1, 2022 deadline for submission of a stewardship plan, should DEEP set a specific deadline for submission of an application?

Stewardship Plan Submission. DEEP is contemplating publishing a Request for Submissions for a Stewardship Plan, which would outline both required and optional elements that should be included in an approvable Stewardship Plan.

- 5. Section 9(c)(1)-(9) spells out many specific requirements that must be included in a stewardship plan in order to be approved by the DEEP Commissioner. Should DEEP clarify any of these requirements, or require specific demonstration of these elements, in the Request for Submissions? For example, should DEEP specify a timeline for achieving and exceeding the eighty per cent annual redemption rate, pursuant to Section 9(c)(1), in the Request for Submissions?
- 6. What performance criteria should a stewardship organization need to include in its submitted plan? Are there any penalties, oversight, and accountability metrics that should be applied to a stewardship organization?
- 7. What additional parameters or requirements should the DEEP Commissioner specify, pursuant to Section 9(c)(10), to include in an approvable Stewardship Plan?
- 8. How should DEEP go about ensuring that members of the independent redemption centers community, municipal resource recovery facilities, municipal leaders, wine and spirits distributors, and reverse vending machine operators, and/or any others not specified in Section 9(c) are able to provide input on the Stewardship Plan?

Redemption Center Grant Program. DEEP anticipates issuing a Funding Opportunity Announcement for grants for redemption facilities pursuant to Section 65 of June Special Session, Public Act 21-2.

9. Beyond the criteria specified in Section 65, are there any other criteria or considerations should DEEP 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?

Draft Memorandum of Agreement for In-State Processing of Wine & Liquor Beverage Containers. DEEP is required to submit a draft MOA to the Environment Committee of the General Assembly by January 15, 2022.

- 10. What are the requisite parties that should be included in such an MOA, and how can DEEP efficiently facilitate discussions among such parties?
- 11. What best practices/programs should the wine and liquor industry utilize to help them achieve the goal of collecting and processing of at least 80% of the wine & liquor containers sold in the state?

#### Other Topics

12. Are there other issues DEEP should consider with respect to bottle bill modernization?

### **Scoping Meeting & Written Comments:**

DEEP will hosting a virtual scoping meeting to brief stakeholders and receive public comment on the proposed scope of the process, including the Tentative Objectives and the thirteen questions listed under the Proposed Topics, above. Participants can choose to attend the session and share their thoughts by registering at the link below.

**Public Meeting** 

Monday, August 9, 2021, 2:00-4:00pm

Register Here: https://ctdeep.zoom.us/meeting/register/tJEvf-ipqj4oGdGJGIUOEzhw-2FMZqh GvpH

DEEP also welcomes written comments on the above topic. Comments may be submitted to <a href="mailto:chris.nelson@ct.gov">chris.nelson@ct.gov</a> with the subject line "Bottle Bill Modernization." Comments should be submitted in PDF form by 11:59pm on Friday, August 27, 2021.

The Connecticut Department of Energy and Environmental Protection is an Affirmative Action/Equal Opportunity Employer that is committed to complying with the requirements of the Americans with Disabilities Act. Please contact <a href="Chris.Nelson@ct.gov">Chris.Nelson@ct.gov</a> if you are seeking a communication aid or service, have limited proficiency in English, or require some other accommodation. If you wish to file an ADA or Title VI discrimination complaint, you may submit your complaint to DEEP Office of Diversity and Equity at (860) 418-5910 or via email at <a href="mailto:deep.accommodations@ct.gov">deep.accommodations@ct.gov</a>. In order to facilitate efforts to provide an accommodation, please request all accommodations as soon as possible following notice of any agency hearing, program or event.

#### **Resources**

- 1. Public Act 21-58, *An Act Concerning Solid Waste Management*: https://www.cga.ct.gov/2021/ACT/PA/PDF/2021PA-00058-R00SB-01037-PA.PDF
- June Special Session, Public Act 21-2, An Act Concerning Provisions related to Revenue and Other Items to Implement the State Budget for the Biennium Ending June 30, 2023: <a href="https://www.cga.ct.gov/2021/ACT/PA/PDF/2021PA-00002-R00SB-01202SS1-PA.PDF">https://www.cga.ct.gov/2021/ACT/PA/PDF/2021PA-00002-R00SB-01202SS1-PA.PDF</a>
- CGS 22a-243 through 22a-246: (Statutory Bottle Bill requirements): https://www.cga.ct.gov/current/pub/chap 446d.htm#sec 22a-243
- 4. RCSA 22a-245-1 through 22a-245-6 (Beverage Container Deposit and Redemption regulations): <a href="https://eregulations.ct.gov/eRegsPortal/Browse/RCSA/Title\_22aSubtitle\_22a-245/">https://eregulations.ct.gov/eRegsPortal/Browse/RCSA/Title\_22aSubtitle\_22a-245/</a>
- 5. Main Bottle Bill webpage on DEEP website (including links to redemption data): https://portal.ct.gov/DEEP/Reduce-Reuse-Recycle/Bottles/Connecticut-Bottle-Bill

More information on Connecticut's Bottle Bill Modernization Stakeholder Process can be found at <a href="https://portal.ct.gov/DEEP/Reduce-Reuse-Recycle/Bottles/Bottle-Bill-Stakeholder-Process">https://portal.ct.gov/DEEP/Reduce-Reuse-Recycle/Bottles/Bottle-Bill-Stakeholder-Process</a>.

To add you name to the distribution list for the Bottle Bill Modernization Stakeholder Process, please go to <a href="https://www.surveymonkey.com/r/CTBottleBillStakeholder">https://www.surveymonkey.com/r/CTBottleBillStakeholder</a>.