

# connecticut

## beer wholesalers association

To: Commissioner Katie Dykes and Mr. Chris Nelson  
From: The Connecticut Beer Wholesalers Association  
Re: Bottle Bill Modernization

The Connecticut Beer Wholesalers Association appreciates the opportunity to submit comments regarding the Department's responsibilities to implement specific provisions outlined in Public Act: 21-58.

For forty-one years, the Connecticut Beer Wholesalers Association's members have worked tirelessly to carry out their Bottle Bill duties and responsibilities under Connecticut law. For many years, deposit initiated worked in a fair partnership with the State to fund the obligations of the Bottle Bill. In 2009 however, the State walked away from that partnership, claiming all unredeemed deposits as its own and leaving the entire expense of the Bottle Bill on small independent beer distributors. Since that time, CBWA has sought a return to fairness to no avail. We appreciate the revisions in PA 21-58 to return a portion of unredeemed deposits to the organizations that make the Connecticut Bottle Bill work but request further considerations.

CBWA asked for policy changes to the bottle deposit law to make it more equitable for Connecticut companies such as: minimizing fraud from cross-border redemption, ensuring products not covered by the deposit system are not returned to distributors, allowing distributors to deduct increases in their handling fee from their escheat payments to the state, and deferring an increase in the refund from five cents to ten cents conditioned on a regional compact agreement.

CBWA's requests have gone unresolved, and our concerns have only intensified with the passage of Public Act: 21-58, once again increasing small local business costs with policies such as: increasing the handling fee, expanding containers, increasing the deposit from five cents to ten cents, and the possibility of the formation of a stewardship program.

As the Association considered the path forward, we concluded that it would be premature to move toward the stewardship model. Under a stewardship model, the costs to beer distributors (whose product container mix is very different from soft drink distributors) may increase significantly. Additionally, we do not know at this time the impact the increased handling fee, expansion of containers, and increased deposit from five cents to ten cents will have on our companies.

CBWA requests the Department and members of the Connecticut General Assembly wait until there is sufficient data to determine the impact the implementation of the recent changes will have on deposit initiators, redemption centers, consumer behavior, and recycling rates in Connecticut. Further, we ask the State to accelerate the time frame outlined in Public Act 21-58 and return fifty-five percent of the unclaimed deposits to deposit initiators on or before 2023. Finally, we look forward to working with policymakers to implement working steps and timelines with these distributors who operate the Connecticut Bottle Bill to make adoption and implementation of PA 21-58 equitable, sustainable, and orderly.

We appreciate your consideration of our comments as the Department prepares to implement Public Act 21-58 and ultimately makes recommendations to the Environment Committee.