Testimony before the Environment Committee in Response to HB 7294

AN ACT CONCERNING BOTTLE REDEMPTION IN THE STATE.
S.B. 1003 AN ACT CONCERNING THE USE OF SINGLE-USE PLASTIC AND PAPER BAGS
H.B. 5019 AN ACT ESTABLISHING A FIVE-CENT TAX ON SINGLE-USE PLASTIC AND PAPER BAGS

Governor’s Bill No. 877 AN ACT CONCERNING REVENUE ITEMS TO IMPLEMENT THE GOVERNOR’S BUDGET

Submitted March 11, 2019 by Keith B. Bishop

Dear Senator Cohen, Representative Demicco, & Members of the Environment Committee:

Our 6 generation, 313 acre family farm includes a Farm Winery and Cidery, making all of our beverages 100% from fruit we grow on our farm. We employ over 200 people, around 100 year round. As a small single location business, producing fresh apple cider, wines and Hard Cider as a small part of our farm, I need to let you know impacts of the bill as proposed.

The scale of economy does not apply to CT Farm producers like it does to national and large-scale bottlers and manufacturers. If you want to encourage farms to stay profitable, continue to hold land for generation without sales for building development, we must work together to increase voluntary recycling and efficient single stream sorting, not turn our businesses into additional tax collectors by becoming a ‘deposit initiators’ for being local juice producers.

I partially support HB 7294 AN ACT CONCERNING BOTTLE REDEMPTION IN THE STATE with the requested modifications to improve functionality as explained below.

First, I’m glad HB 7294 does not include wine bottles as this would be a nightmare. Attached to this letter is a Fact Sheet compiled by the CT Vineyard and Winery Assn, of which we are involved members. Please consider all our points made regarding wine bottles: that this essentially is an additional tax that is cumbersome and expensive for our business, it will present huge sanitation and space issues, labor and hauling fees and paperwork connected with becoming a ‘deposit initiators’. Therefore, please dismiss any ideas of adding wine bottles into any CT deposit program as the Governor’s Bill 877 implements.
Requested modifications:

Line 8: Juice is added. So Fresh apple cider would now be included. Our Cider bottles are the same as Milk bottles. **Exempt juices made from or by CT Farms.**
Line 16: A gallon of cider is not included by being under 3 liters, but a half gallon of cider and other smaller sizes would be included. **Exempt all sizes of fresh juice.**
Line 172: Each manufacturer – i.e. cider producer, would be a deposit initiator... more paperwork and payments of the 10 cents subject to the deposit law. **Again, exempt fresh juices made from or with CT Grown products.**

An option would be to have a volume ceiling of annual production for juice produced in CT to be exempt on all sizes. 100,000 gallons would be a minimum, self-enforced and certified on our annual DCP Juice Permit renewal.

Not making these modifications will result in label changes, forcing small to medium size farms who make juice here in CT into becoming a deposit initiator, making at least 50 square feet of retail sales area unproductive by becoming a deposit bottle receiving area, plus buying and installing reverse vending machines to collect bottles (> $10,000 each) all increasing the cost of doing business (not to mention the costs of HB 5004 AN ACT INCREASING THE MINIMUM FAIR WAGE). DEEP/DRS lays out the compliance info here: https://www.ct.gov/deep/cwp/view.asp?q=324834

If glass bottles are a deposit target, then all glass bottles and food containers should be included, not just wine. More weight of glass is bought by consumers and used containing other food items then alcohol! Voluntary local recycling and single stream recycling for consumers and businesses is the most effective way to increase the volume recycled.

I support H.B. 5019 AN ACT ESTABLISHING A FIVE-CENT TAX ON SINGLE-USE PLASTIC AND PAPER BAGS, and note our farm is involved in creating a similar ordinance in Guilford. **I do not support exemptions for pharmacy bags**, and also note that our health care system is an overly heavy user of single use plastics, with little sign of recycling of bags in ER’s, Hospitals and Dr’s offices where patients interact.

Finally, let’s be honest, additionally a grab for cash exists in raising the deposit from 5 to 10 cents. In 2017, $33.5 Million was unclaimed deposits as reported by WNPR’s Patrick Skahill [http://www.wnpr.org/post/has-connecticuts-bottle-bill-changed-environmental-law-cash-cow](http://www.wnpr.org/post/has-connecticuts-bottle-bill-changed-environmental-law-cash-cow). Therefore $67 Million plus+++ is what would be collected when including the proposed additional products with the increase to 10 cents! Another regressive tax.

Our farm participates in, encourages and uses many forms of recycling in our stewardship. Overly mandating participation in areas that are punitive to our small businesses in CT is counter-productive. Let’s lead with a juicy ripe CT Grown apple to encourage good practices rather than a monthly DRS tax form tainted with drips from bottles turned into dimes.

Respectfully,

Keith B. Bishop
The Negative Impacts of Including Wine in the Bottle Bill

Background
Connecticut is one of 11 states in the U.S. that are considered the "bottle bill" states. Bottle bills, also known as container redemption programs, have slightly different provisions in each state but essentially work by charging a deposit on a container at the time of purchase, which is then returned to the consumer when the empty bottle is returned. In recent years there has been push in CT to expand the bottle bill to wine and liquor bottles as well as nips, juices, teas, icetonics, etc. Governor Lamont proposed a 25¢ deposit on liquor and wine bottles in his budget February 20th. A 25¢ deposit on wine bottles would have negative implications for the wine industry, including but not limited to...

High Costs
CT wineries are small, family-run businesses with a different niche than most other alcohol purveyors. We are our product's grower, manufacturer, distributor, retailer, and we are a tourist destination. Adding a deposit will be very cumbersome and expensive for our industry.

Currently, there is no infrastructure to support the pick-up of returned bottles from restaurants and package stores. Since we self-distribute we would be obligated to retrieve those bottles, which would make the cost of our product significantly increase.

Market Competition Loss
Vineyards and wineries would have to redesign our labels to reflect the deposit. Adding a 15¢ deposit onto wine bottles is really a tax on consumers. CT purveyors of wine are already in steep competition with surrounding states that have repealed sales tax on the product. Adding additional costs, such as a deposit, will continue to drive consumers cross border or to online retailers that do not have these added costs.

Facility Sanitation Issues
Taking back dirty wine bottles runs the potential risk of spoilage in our production facilities. The main problem is the bacteria known as acetobacter (although there are others that can cause spoilage problems), which can literally turn wine into vinegar. As the bottle bill is currently carried out, beer and soda cans are never returned to a production facility for that product; rather, they go to a third-party, eliminating the concern for contamination.

If wineries, which sell directly to the consumer, are forced to take back dirty, empty wine bottles that are likely brimming with acetobacter, we have massive concerns about introducing a contaminant into our production facilities that can literally ruin our wine.
Did you know...

- **States are moving away from deposits.** In 2015 Maine implemented a 15¢ refundable deposit on spirits and wine beverage containers and is now working to repeal the legislation.
- **Wine bottles are already being recycled through curbside recycling.** Two states, Minnesota and Delaware, recently repealed their bottle laws in favor of curbside recycling. It is far less costly and a much more efficient way of recycling, especially for wine, when the majority of it is consumed at home.
- **The size and shape of wine and spirit bottles vary greatly; there are currently no can and bottle redemption machines designed to take wine and liquor bottles.**
- **When Connecticut first proposed its bottle bill, money from unclaimed deposits on bottles and cans was given to distributors to help cover costs of dealing with masses of returned beer and soda containers.** In 2009, **the state decided to take those unclaimed deposits to help deal with budget deficits**. Having the state take any deposit money from wine and liquor bottles would create major business cost problems for package store owners and alcohol distributors.

Conclusion

For these reasons we urge you to [contact your legislators](http://ctwine.com/) in opposition to bottle bill expansion.