



**Testimony for the Environment Committee
Monday, February 27, 2023**

**Low Dubuque – Vice President, CT Chapter
National Waste and Recycling Association**

The Connecticut Chapter of the National Waste and Recycling Association is a trade association representing private sector recycling and waste companies. Our member companies operate in Connecticut. Our industry is a mix of local, regional and national companies that compete vigorously in providing environmentally protective and cost-effective services to our customers – the citizens, communities and businesses of the state. We are the recycling industry for residential and commercially generated recyclables. Private sector waste and recycling companies collect a majority of recyclables at the curbside and the loading dock in this country. They also own and operate approximately two-thirds of America’s materials recovery facility capacity. In Connecticut, they operate all the MRFs, which have far more capacity than necessary to process all of the state’s recyclables.

NWRA’s CT chapter represents the private sector waste and recycling industry statewide. According to data compiled by NWRA, in CT, the private waste and recycling industry employs nearly 5,500 people. The annual economic impact to the CT state economy, generated by the waste and recycling industry, is \$1.9 billion. When the activity of the waste and recycling industry with other industries is calculated, the waste and recycling industry’s overall impact to CTs economy is \$ 3.7 billion annually. Our member companies either collect or process the vast majority of both residential and commercial recyclables in Connecticut. We strongly support efforts to increase recycling that make environmental and economic sense. We look forward to continuing our collaborative work together to keep Connecticut on the nation’s top ten leaders list in recycling and waste diversion programs.

I am here today to express our deep opposition to HB 6664, which would, among other things, implement an Extended Producer Responsibility scheme in the state of Connecticut, give DEEP complete control over Connecticut’s waste infrastructure, increase taxes on Connecticut residents through a solid waste assessment, and mandate statewide separation of organics in Connecticut.

Opposition to EPR Scheme

This is the second time in a week that I am testifying against EPR in Connecticut. DEEP just recently promoted EPR as the solution to the state’s “self-sufficiency crisis” as a part of their new solid waste management plan, and here we are again having to push back against another ill-advised attempt at legislating a solution to a problem that doesn’t exist.

In promoting its EPR scheme, DEEP has stated that it will help eliminate up to 190,000 tons of waste annually by 2028 when the program is fully implemented. Where do those numbers come from?

What we found in DEEP's records that were produced via a FOIA request that the numbers have no basis in fact. An intern at DEEP looked at the amount of packaging and paper in the disposed MSW in 2015 and multiplied it by 80%. We assume that is because British Columbia, Canada has an 80% recovery rate (not recycling rate), they used 80%. What everyone needs to understand is that British Columbia does not cover all the potentially recoverable products, like glass. Because BC did not have adequate and appropriate MRFs, transfer stations, and universal collection of recyclables, BC created EPR to fill in all these gaps. EPR is not the sole reason for improvement in BC. The state of Connecticut has universal collection, many transfer stations, and several modern MRFs-- so EPR will not move the needle in Connecticut.

Further, DEEP's records show that DEEP knows EPR will have a detrimental impact on small haulers, and facility operators in Connecticut. DEEP has no idea how many family-owned businesses will close if this bill is passed.

It is well known that CT is one of the top ten of states with the highest recycling rate for containers and packaging materials. The state has a robust and efficient hauler infrastructure to collect recyclables—these companies are privately owned by families that have been in the industry for generations—they employ thousands of hard-working Connecticut residents, who Governor Lamont labeled as “essential workers” in his executive orders.

The haulers and facility operators who collect and process recyclables also collect and dispose MSW. If these companies are damaged financially with EPR there will be a significant adverse impact on their ability to handle the MSW. Connecticut has no significant problems with how recyclables are currently managed so why do anything to make it more difficult to manage the MSW? This is a time to strengthen Connecticut's businesses, not hurt them with policies that will put some of them out of business.

Each town in Connecticut has universal access to curbside or drop-off collection of recyclables. There is no more convenient process of recycling items than at the curb and those materials are processed at material reduction facility (MRF) facilities and then sold as a commodity back into the market. The multi-million dollar MRF facilities have the capability to extract value for the materials they are collecting, and.

There is no waste crisis in Connecticut, and as commodities fluctuate, so do prices. Recycling costs for towns are leveling out because domestic capacity has increased in the US for paper and packaging product so the secondary market for recyclables has rebounded. Connecticut has a robust processing infrastructure that has the capacity to handle annually more than 4 million tons of recyclables—far more than CT residents generate.

This bill does not shift the cost to handle the recyclables to the producers—it shifts the cost on to the backs of Connecticut's residents. The producers will embed/internalize the costs to collect, process, and market the recyclables at the cash register. No reasonable person believes producers will not pass on their costs to the consumers. This additional cost could be almost \$700.00 annually for every household in the state.

Determining that EPR is the solution before determining the cause is putting the cart before the horse. HB6664 is drafted as a wholesale revamping of a system that works. In addition to paying the additional cost at the cash register, CT's residents will continue to pay the taxes they currently pay for the collection and processing of the recyclables. These additional costs are a new tax on CT's residents—it is unnecessary and,

with inflation being over 7%, the cost of food and other necessities skyrocketing, CT's citizens cannot afford to pay this \$700.00 additional tax, which will increase every year.

DEEP has been developing this EPR language without any input from our recycling industry. Recycling companies are the experts in recycling --- it is what we do. No needs assessment/study has been done in Connecticut to prove that a bill like this is needed. In fact, the legislature compiled a working group with all stakeholders, including DEEP, in 2017 on EPR for paper and packaging and that working group determined that EPR for paper and packaging was not viable. Connecticut needs to do its own analysis to see what the intended and unintended impacts will be from EPR, before it decides if EPR makes sense. It is not a good comparison to say that something that works in another country will work in Connecticut.

Dr. Calvin Lakhan from York University in Toronto conducted an independent study of the Canadian EPR packaging program and determined that there needs to be the proper prerequisite in place before any EPR program is effective and that there is not enough data in the waste sector around paper and packaging. There is a serious disconnect between what people think is realistic and feasible and what is actually possible, given the state of sector specific data and overall market conditions. Even Ontario, considered among the best in class for data collection and reporting, still suffers from data gaps after an 18-year EPR program because they can't figure out how much material is being generated into the market (state and municipal level) or material type and by brand owner, and this information is needed to allocate costs to stewards.

Program performance of the Ontario and B.C. programs, measured in terms of diversion, has deteriorated over time and management costs (per ton managed) are increasing at a faster rate than other provinces. With Recycle BC, program costs increased 26% and program performance increased by just 1%!

Increases in the cost of recycling paper and packaging are born by the consumer and a 100% EPR program for paper and packaging results in a 4-9% increase in the cost of groceries and packaged products for the average household and these impacts are especially hard for lower income households who consume more packaged goods as a proportion to their overall consumption.

In Europe, there is scant evidence to support that EPR helps with recycling demand nor packaging design for recycling nor recycled content. Perhaps EPR is good for provinces in Canada and European countries, but here, in CT, EPR will **NOT** increase recycling, reduce packaging, or decrease the cost to recycle.

Support Exploring Separate New Minimum Content Standard Legislation

At the end of the day, Connecticut has a simple solution to help increase recycling in the state, and it is currently in the same bill. Instead of establishing EPR, a simpler and more effective solution would be setting reasonable post-consumer content standards for materials including plastic, glass, and paper packaging and containers. Such standards will create more robust markets for materials recovered through existing recycling programs, thereby supporting their use for manufacturing into new products and packages.

Last year, New Jersey Governor Phil Murphy signed into law a bill establishing postconsumer recycled content requirements for plastic, glass, and paper containers, packaging materials, and trash bags. Considering guidelines that mirror New Jersey's would jumpstart demand for recycled materials throughout the region and could ultimately inspire nationwide recycled content standards, while protecting Connecticut's vital existing recycling programs and infrastructure.

NWRA would support a separate minimum content proposal that was drafted with input from the waste and recycling industry, just like we are pushing for in New York. At that end of the day, all we are asking for is a

seat at the table to openly engage with the legislature on the industry that our members have worked in for, in many cases, several generations. DEEP has spent too many years ignoring the waste and recycling experts in this state, who are more than willing to assist where we can.

Opposition to Creation of Solid Waste Regional Authorities overseen by DEEP

Section 3 of this legislation would provide DEEP with extraordinary power and control over any new waste management infrastructure through their proposed RFPs. DEEP is not a developer, they are a regulator, this creates a major conflict of interest, and is nothing more than a power grab implemented by DEEP through potential long term contracts.

Opposition to Organics Mandate

Section 5 of this legislation which would mandate statewide separation of organics. We agree that diverting food scraps and other materials should be considered, we however oppose this mandate. Connecticut has 169 towns with unique conditions and demographics. For example, multi-family homes and apartment complexes cannot easily source separate food scraps. There are also ways, such as mechanical sorting equipment, to divert food scraps. This bill does not allow such a method unfortunately.

Opposition to Solid Waste Assessment

Finally, Section 8 of this legislation proposes a \$5 per ton fee on all waste destined for landfills and additionally raises the \$1.50 per fee on waste received at a waste-to-energy facility to \$3 per ton. At the end of the day, this will act as a pass through to consumers and another tax on Connecticut residents. With inflation being over 6%, and the cost of food and other basic necessities skyrocketing, Connecticut's citizens cannot afford to another tax increase.