



RHODE ISLAND

DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

OFFICE OF THE DIRECTOR

235 Promenade Street, Room 425
Providence, Rhode Island 02908

May 13, 2025

The Honorable David Bennett
Chairman
House Committee on Environment and Natural Resources
82 Smith Street
Providence, Rhode Island 02903

RE: H 6206 An Act Relating to Health and Safety – Beverage Containers Recycling Act

Dear Chairman Bennett,

Thank you for providing the Department of Environmental Management (DEM) the opportunity to comment on H 6206, which would institute a deposit return system for covered beverage containers.

Although most of the direct implementation responsibilities in the legislation would fall on the producer responsibility organization (PRO), we note that there would be a substantial oversight role for DEM that we do not believe we can meet with current staffing. H 6206 includes provisions that require the PRO to pay an annual registration fee in an amount determined by DEM to cover administrative costs. Additionally, the bill includes a mechanism whereby the PRO is required to make a one-time payment to DEM to cover previously incurred and future estimated costs related to the initial implementation program. However, these provisions only ensure that funding is available and, depending on the status of DEM's FTE authorization in any given fiscal year, may not enable the hiring of additional staff.

A critical component of any bottle deposit return system is the program's financial management. DEM's experience with other extended producer responsibility programs administered by third party PROs indicates that it is critical for the state to have control over the program's financial resources to protect Rhode Island customers and businesses and ensure effective and efficient program implementation. Additionally, it is inherent to any such system that there will be unclaimed deposits and H 6206 proposes that these funds be specifically reserved for use by the PRO on purposes including education and outreach, adding new redemption sites, and other activities directly helping to increase the collection of covered beverage containers. We are concerned that unclaimed deposits, and program funds more generally, would be controlled by the PRO under H 6206's current provisions and the state, including DEM, would have very

limited ability to regulate the spending of program funds and the implementation of the program. DEM respectfully urges the Committee to consider amending the legislation to provide more direct state control over program funds.

We appreciate the opportunity to offer comments on this legislation and would be pleased to make ourselves available as needed. Please feel free to contact Ryan Mulcahey, DEM Director of Legislative Affairs, at ryan.mulcahey@dem.ri.gov should you have any additional questions or wish to discuss this matter further.

Sincerely,

A handwritten signature in dark ink, appearing to read "Terrence Gray". The signature is fluid and cursive, with a large initial "T" and a stylized "G".

Terrence Gray, P.E.
Director

cc: Members of the House Committee on Environment and Natural Resources
The Honorable Tina Spears
Nicole McCarty, Esq., Chief Legal Counsel to the Speaker of the House
Lynne Urbani, House Policy Director