

TO: House Committee on Environment & Natural Resources

FROM: Joe Maggiacomo, Coca-Cola Beverages Northeast

DATE: May 13, 2025

SUBJECT: HB 6206 & 6207: Opposition to Beverage Container Recycling Acts

Dear Committee Members:

On behalf of Coca-Cola Beverages Northeast, I appreciate the opportunity to comment in opposition to House Bill 6206 and House Bill 6207, acts relating to beverage container recycling.

Coca-Cola Beverages Northeast Background

Coca-Cola Beverages Northeast is proud to be an independent locally operated Coca-Cola bottler. We have one sales center located in Providence where we employ over 220 associates. These are good paying jobs, with excellent benefits for hardworking people and families. Additionally, for every associate we directly employ, we indirectly support six more jobs in the state, including in our supply chain and at retail. With our dedicated team of associates, we service over 2,000 unique customer locations that span every corner of the state and range from small mom and pop corner stores to large grocery retailers that your constituents rely on to source food and beverages for their families. To give a sense of our total economic impact, we contribute approximately \$90 million in GDP in Rhode Island every year.

Beyond our expansive footprint of employees and customers, we are also proud of our work within the community. With a combination of monetary, product, and volunteer support, we are actively involved with YMCA of Greater Providence, Woonasquatucket River Watershed Council, Special Olympics Rhode Island, Meals on Wheels, and the Rhode Island Food Bank, among others. We happily partner with and support these organizations as we realize we are only as strong as the communities we serve.

Affordability

Cost increases from any bottle bill add up quickly. For example, at a \$0.10 deposit value, the price of a simple 12-pack of Coca-Cola increases by \$1.20 per case. Based on a current retail of

\$5.99, this is a drastic 20% price increase. This will increase grocery prices for hardworking families across the state at a time when they cannot afford more expenses. A bottle bill will hurt families who are living paycheck to paycheck. It will act as a regressive tax where those who are already struggling are hurt the most. These individuals will be forced to go out with their containers, arrive at a redemption center, wait in line, and then redeem their bottles and cans to be financially whole. This is in stark contrast to others who will simply ignore the deposit value because they can afford to. The Rhode Island General Assembly should be fighting to relieve our economic burdens – not forcing us to pay more for everyday grocery items at a time when the costs of gas, utilities, and housing are already making everyday living more expensive.

These proposed bottle bills will also hurt the state and its local businesses financially. Currently, Rhode Island is in a unique situation where it benefits from being bordered by deposit states. Connecticut has a 10-cent deposit and Massachusetts has a 5-cent deposit, while Rhode Island has none. This creates a situation where the same beverage retails for less in Rhode Island than its neighbors due to the non-existent deposit value. This drives price-conscious consumers over state lines and into Rhode Island to purchase their beverages and while they're here, the rest of their grocery items. This beneficial situation increases sales to small businesses that sit on or near the state borders. By changing the deposit law in Rhode Island, you would be taking this unique pricing advantage away from the businesses who need it the most.

Jobs

This tax would also have far-reaching implications for state employers and their locally based employees. Bottle bills create complex operating challenges and increased costs for local businesses, which could jeopardize jobs without delivering a proportional environmental benefit. Beverage distributors, like Coke Northeast, could be forced to make difficult decisions that affect the livelihood of our employees and the stability of our industry.

Alternative to a Bottle Bill

Coca-Cola Beverages Northeast, alongside the rest of the nonalcoholic beverage industry, has been a leading voice in advocacy for comprehensive Extended Producer Responsibility (EPR) programs around the US, recognizing that broad policy changes are needed to bring about reforms that address an array of packaging materials and lead to a circular economy.; A well-thought out EPR system would allow us to recapture our material so we can make it into new containers.. This is something we have already done across many of our iconic brands (Coca-Cola, Diet Coke, Coke Zero) as they are now available in 100% recycled PET bottles.

In Rhode Island, we support an Extender Producer Responsibility (EPR)-only legislation (S939). EPR builds on decades of investment by local and state governments and the private sector in

our recycling system, including the Resource Recovery Corporation's Materials Recovery Facility. A Bottle Bill would require planning, permitting, siting, and operating an entirely new system for redeeming beverage containers from consumers, collecting and transporting them, and processing them in central locations. All of this would mean substantial new costs and years to establish since none of it exists today. EPR shifts the cost of recycling from the budget of every Rhode Island city and town to the producers of packaging and paper products. This frees up tens of millions of dollars in tight municipal budgets for other priorities. Under a bottle bill, taxpayers still fund recycling of all the remaining packaging and paper, and they are responsible for returning their bottles and cans to separate facilities for refunds.

We understand the state's need to clean up litter and provide a more sanitary environment for all. However, we believe there are more equitable ways to achieve this goal than to single out an industry and its products as our bottles and cans only make up 3-4% of the waste stream in the state. House Bills 6206 and 6207 would place an undue burden on a wide array of businesses and consumers, particularly those with lower incomes. At a time when affordability is top of mind, now is not the time to impose yet another burdensome cost on Rhode Island businesses and residents.

I urge you to oppose H6206 and H6207, proposals that will hurt local businesses, families, and jobs, and instead support a robust EPR program like that outlined in H6205, that would strengthen our existing curbside recycling system, invest in public education about proper recycling practices, support technological upgrades at the state's central Materials Recycling Facility, and deliver broader environmental benefits.

Thank you for your time and attention.

Best Regards,

Joe Maggiacomo, General Manager Coca-Cola Beverages Northeast Pleasant Valley Parkway Providence, RI