

May 13, 2025

OPPOSE

The Honorable David A. Bennett Chairperson: House Environment and Natural Resources Committee The State House Providence, RI 02903

RE: House Bills 6206 and 6207: Beverage Containers Recycling Acts

Dear Chairperson Bennett:

My name is Scott Bromberg, and I am the President & CEO of the Rhode Island Food Dealers Association, a trade association established in 1909 to serve the needs of the food industry in the State of Rhode Island. Our membership includes chain and independent grocery retailers, wholesalers, suppliers, distributors, food manufacturers, brokers, and other organizations affiliated with the food industry in our state. As an industry, we are among the state's largest employers and revenue generators.

On behalf of our members, I would like to take this opportunity to register our opposition to House Bills 6206 and 6207, which would enact bottle deposit systems in Rhode Island at a rate of 10 cents per bottle and can.

RIFDA was fortunate enough to be invited to participate in the study commission of plastic waste by the General Assembly. Our group openly listened to the testimony of advocates for bottle deposits systems and alternatives to bottle deposit systems that could reduce the amount of plastic waste in our state. RIFDA still has a number of concerns about a bottle deposit system in Rhode Island. Grocery prices are at record highs. The daily and weekly costs of our customers at the registers in Rhode Island have increased dramatically due to a number of external factors. We are living in a time with high inflation, increasing labor costs, increasing transportation and supply chain expenses, and potentially tariffs on imported goods. These are factors lead to increased prices at the registers.

With these deposit system proposals, customers would be required to pay a 10-cent fee on each bottle they purchase. This fee amounts to an additional \$2.40 on a case of water, which is a significant amount for our customers. While they can recoup those funds through redemption, it is still an up-front cost for each one of our customers and return is unpredictable. Of the 10 states with a bottle deposit system, only three have return rates that would indicate that consumers will

return at the rate that will offset these concerns. We do not believe this is the time for the state to implement additional fees on Rhode Islanders.

Additionally, there were other concerns that our industry raised during the study commission which were not addressed. While return to retail locations is not ordered in this bill, retailers will still have additional reporting and banking to do on behalf of the deposit system. The upfront cost to retailers to host parking lot/standalone return centers has not been investigated nor has any compensation been outlined. In order for retailers to remain in step with their competition, if one retailer does in store redemption, others will follow. This will bring up our previous concerns over the cleanliness of our members' locations where fresh produce is served.

Based on what is happening in our neighboring states with deposit systems, we are concerned about the amount of fraud this will bring into Rhode Island. By having a 10-cent deposit this will encourage out-of-state collectors to bring their recyclables to Rhode Island to collect additional money.

In our border stores, Rhode Island locations have a competitive advantage over the locations in the deposit states of Massachusetts and Connecticut. Rhode Island businesses will lose this advantage and spending dollars will leave the state.

Lastly, it is stated that a Producer Responsibility Organization will oversee the implementation, development, and execution of the bottle deposit system. We are unclear as to what the initial costs will be to state government, and how this will be financed. This system will have a sizeable startup cost, which begs the question, where is the initial funding going to come from?

It is for these reasons that the Rhode Island Food Dealers Association opposes the bottle bill systems outlined in House bills 6206 and 6207. We appreciate the committee allowing the opportunity for us to share its position on these bills, and we hope that you will consider our testimony in deliberations on House bills 6206 and 6207.

Sincerely,

Scott Bromberg President & CEO RI Food Dealers Association

CC: Hon. K. Joseph Shekarchi, Speaker Rhode Island House of Representatives

> Hon. Christopher R Blazejewski, Majority Leader Rhode Island House of Representatives

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