

**Testimony of Bree Dietly to the
House Committee on Environment & Natural Resources on H.7911**

May 27, 2026

The Honorable David Bennett, Chair
House Committee on Environment & Natural Resources
The State House
Providence, RI 02903

RE: H.7911 – An Act Relating to Health and Safety – Extended Producer Responsibility for Packaging and Paper Act

Dear Chair Bennett and Committee Members:

I appreciate the opportunity to submit testimony opposing this bill, which would establish a costly, untested bottle bill in Rhode Island concurrently with an extended producer responsibility (EPR) program for packaging and paper.

I am the Principal of Breezeway Consulting in Somerville, Massachusetts and am a consultant to the American Beverage Association and the Rhode Island Beverage Association, which represent manufacturers, distributors, and suppliers to the refreshment beverage industry.

We have several bases for our opposition to this bill:

- No state has ever implemented both a bottle bill and EPR program simultaneously. The complexity of either of these efforts is daunting by itself; attempting both at one time invites chaos and failure.
- The bottle bill provisions set the program up for failure, as we watch the impact of a 10¢ deposit in Connecticut overwhelm their redemption program.
- The EPR provisions in this bill differ in important ways from those in H.7910, an EPR proposal that we do support.
- Overlaying all of these issues, the Department of Environmental Management is currently carrying out a study compelled by H.6207A last session to examine these same policy options. Diving headlong into implementing both programs without regard to the finding of the study renders worthless H.6207A and the funds spent to implement it. In fact, H.7911 actually accelerates some timelines of the proposed programs, rather than waiting for the study outcomes.

In the waning hours of the 2025 session, the Legislature enacted H.6207A requiring the Department of Environmental Management to fund and manage a third-party study of the “infrastructure, policy, and programmatic requirements necessary to support a statewide redemption and recycling plan including packaging materials, paper products, standard and miniature size beverage containers...and other priority materials designated by the department.” This study, which is in its very early stages, intends to evaluate a standalone EPR system, a standalone deposit return system (DRS) for beverage containers (*i.e.*, a bottle bill), and a combination of the two.

Given this decision by the Legislature and the charge to examine costs and benefits of various approaches and to develop baseline data, it would be inexpedient of the Legislature to act on any of these bills this session until the study is conducted, the findings reviewed, and appropriate amendments made to the various legislative proposals affected.

I have separately submitted testimony conditionally supporting a well-designed EPR program for the state like H.7910 that is built to collect all recyclable packaging and paper in an effective manner. But any action should wait until the H.6207A study is conducted and its findings digested.

Momentum for Well-Designed EPR, Not DRS

Seven states have adopted EPR laws for packaging in the last five years. The latest four in Colorado, Minnesota, Maryland, and Washington State represent a wave of comparable programs that reflect best practices in program design developed over years of experience with EPR outside the US. The laws share a common purpose: to shift the financial burden of recycling from local government and taxpayers to producers of products and to dramatically improve recycling rates by modernizing our residential recycling programs and infrastructure.

In contrast, the wave of beverage container deposit programs crested over 40 years ago with the passage of laws in Massachusetts and New York. California adopted its novel approach beginning in 1987. Subsequently only Hawaii has passed a deposit law, which went into effect in 2005.

Policymakers' interest in deposits waned because more comprehensive alternatives emerged in the form of broad-based municipal recycling programs. These recycling programs go far beyond a focus on only selected beverage bottles and cans, and many states also adopted comprehensive litter prevention and control programs such as those adopted in New Hampshire, New Jersey, Nebraska, and Washington State, which target all litter – not just beverage containers.

The beverage industry has been a leading voice in advocacy for EPR programs around the US, recognizing that policy changes are needed to bring about reforms leading to a circular economy; the ability of producers to capture quality materials and return them to use as new products; and overcoming structural, financial, and organizational obstacles that have held recycling back in the US.

State legislatures in Colorado, Maryland, Minnesota, and Washington agreed that an EPR system guided by these principles is the best way to attain a high-performing collection system. While all of these legislatures have considered bottle bills in the past, none thought it appropriate to enact deposits along with EPR.

The beverage industry has focused on reform of existing bottle bill laws with an eye toward modernizing systems that are marked by stagnating recycling rates. We have proposed program reforms in Connecticut, Maine, New York, and Vermont. In Rhode Island, deposits are not an appropriate policy given the program's cost, inconvenience, and disruptive impact on consumers, especially low-income and aging residents, and its harm to small, local businesses that fuel the state's economy. There are better ways to accomplish the goals of this proposal, such as well-designed EPR. And the operational details of the untested deposit program laid out in this bill raise great concerns regarding its viability.

Why Not Deposits for Rhode Island?

Raising Prices

Raising prices 10¢ a can or bottle ignores the rising costs and uncertainty consumers are facing not just in the grocery store, but throughout the economy. Although the deposit can be redeemed, a \$2.40 per case price increase at the point of sale plus the cost to build an entirely new system to handle the redeemed containers will harm consumers, especially those who can least afford it.

Redemption Issues

A bottle bill, whether by itself or in conjunction with EPR, requires entirely new infrastructure, end-to-end, to manage returned beverage containers.

- Special equipment or facilities must be established to take back empties, meaning these facilities must be sited. According to proponents, the “convenience” standards in this bill call for a minimum of 88 redemption centers as a starting point.
 - That requires 88 licensing processes, agreeable landlords, acceptable traffic conditions including heavy truck access, neighborhood and business groups concerned with public safety, and financing all of it.
 - No one in the US has ever built a standalone redemption network from scratch. Redemption systems have built up based on retailer takeback mandates or, in the case of California and Hawaii, scrap buyback center infrastructure that no longer exists in the US.
 - This bill also contains multiple additional criteria to assess in determining the number and type of additional redemption facilities; in short, these 88 centers are just a start.
- New trucks and drivers will need to be on the road to pick up containers from these locations regularly, to provide audit and oversight of the pickup, and to transport the containers to new processing facilities to be counted and verified (if they weren’t already) and prepared for sale as commodities. Those facilities also need to be sited, approved, and funded.
- None of this utilizes any of the recycling infrastructure already in Rhode Island. In contrast, EPR does leverage the state’s existing infrastructure in that it builds on what we already have.
- A particular concern with this redemption system is access to redemption for those of limited means, families without cars, people who are disabled, and elderly citizens. A 10¢ deposit is a 10¢ tax if you do not have the time, ability, or access to use a redemption site. That burden is going to fall most heavily on low-income households, making this a regressive policy. Again, in contrast, EPR would bring recycling to every household without the need for special trips or cash outlays.

Fraud

An object lesson in fraud associated with a 10¢ deposit is playing out next door in Connecticut right now. That state's ill-considered increase in its deposit to 10¢ has flooded the state with empty containers from all of its neighbors, in particular New York. Beer wholesalers on the border have testified to paying out 30 to 50% more in refunds than they have collected in deposits and have accumulated tens of millions of dollars in deficits as a result. Bottled water companies have also cited redemption rates well in excess of 100% statewide while the state's reported redemption rate for the second half of 2025 was 97% - roughly double what it was two years ago. Connecticut newspapers and TV are filled with stories about how the Legislature is attempting to get control of the problem, with one law already passed and two more under consideration including a proposal to roll back the 10¢ deposit.

A 10¢ deposit in Rhode Island would end the price advantage that Rhode Island grocery and convenience stores have over their Connecticut neighbors. Connecticut residents now shop for beverages (and other items) in Rhode Island and avoid the \$2.40 per case deposit and can then get another \$2.40 in refunds for returning the containers in Connecticut – something that has been widely popular as indicated by the media stories in Connecticut.

The retail situation for Rhode Island would be much worse along the Massachusetts border because a deposit here would reverse the current advantage Rhode Island businesses have. Instead of Mass residents saving 5¢ by shopping in Rhode Island, it would be Rhode Islanders leaving the state to shop in Massachusetts to save \$1.20 per case on beer and soda and \$2.40 per case on water, teas, sports drinks, and the like.

Litter

Litter control has been the main justification for deposits since the 1950s. At the time, it was concern over broken glass and the introduction of metal cans. But litter is a much more complex problem than beverage bottles and cans. A more careful look at the data reveals the true picture of the role deposits play in litter.

- In its 2020 National Litter [Study](#), Keep America Beautiful (KAB) estimated that beverage containers accounted for 5.6% of total litter, aggregating roadway and waterway sites. Note that higher incidence of beverage containers is likely in areas like parks and beaches where people are more likely to have containers with them. Proponents cite beach cleanup data, for example, and that is likely to overstate the prevalence of containers in litter statewide.
- More than 94% of litter would be unaffected by deposits; the argument that bottles and cans are “worth picking up” for a refund doesn't apply to snack and candy wrappers, coffee cups and lids, and the wide range of other littered items.
- In total, bottle bill states do average less beverage container litter than all non-bottle bill states. But that is a simplistic reading of the data:
 - Bottle bill states also have less non-beverage container litter suggesting that something other than deposits are at work in those states. California, Oregon, and Maine have different environmental ethics than states like Florida, Alabama, and

- Texas, for example.
- KAB data shows there was also 30% less non-beverage container litter in deposit states, so if one uses that difference to adjust for different attitudes, the bottle bill states in aggregate had 23% less beverage container litter than all the others.
 - It is very important to compare “like” states before drawing conclusions about policy. A 2010 study of the northern New England states found New Hampshire, a non-bottle bill state, had less per capita litter overall and less beverage container litter than Vermont.

EPR programs are not without success stories regarding litter. Public space recycling programs can dramatically reduce beverage container litter without deposits. The Recycle Everywhere program in Canada’s Manitoba province has achieved unprecedented success with this approach. It is particularly unfortunate that Rhode Island’s OSCAR program, specifically designed to control litter, was long-since defunded even though beverage taxes imposed to fund it remain in place.

Specific Concerns with the Proposed Bottle Bill Language

The deposit language found in this bill is unique. It is not, as some have described, “the Oregon program.”¹ Oregon’s system has evolved over 50 years and was built based on a retail takeback mandate under which more than 3,000 retailers in the state provided the redemption infrastructure for the system. The establishment of centrally managed redemption sites and bag drop sites is a recent innovation, made possible by that retail mandate that continues to support the economic underpinnings of the program. Consumers have long been conditioned to the program, and the establishment of redemption centers took place on a much smaller scale and in many fewer geographies than what is envisioned under H.7911.

The parameters described in this bill about what party is obligated to comply, how deposits are collected/initiated, performance targets, and convenience standards are all unprecedented and untested. As noted, the beverage industry has expressed its support for reforming existing deposit programs to operate according to demonstrated best practices, but aside from the governance of this system and retention of unclaimed deposits to finance the program, little else in this bill gives us confidence that this is a workable framework for a deposit refund system.

Additional Considerations of Adopting Both Programs

I am unaware of any state or jurisdiction that has ever implemented both EPR and a bottle bill simultaneously. For long-established deposit programs like Oregon’s or the provincial programs in parts of Canada or the Nordic countries in Europe, those systems were well established before EPR came along and was adopted. The more recent wave of new deposit systems in Europe has come in response to European Union mandates and are appearing where EPR has had a long foothold. And, as noted, Colorado, Minnesota, and soon, Maryland and Washington, have adopted EPR laws for packaging and paper without deposits.

Rolling out two programs concurrently would impose staggering administrative burdens on producers, system managers, and especially state government. Both programs would take effect

¹ For reference, the official redemption rate for the Oregon program was 87% in 2023; official rates for 2024 will not be available until August, but preliminary data indicate a slight decline in the rate.

virtually simultaneously if the proposed schedule in the legislation were met. I should emphasize that the cost of the EPR program for its obligated producers would grow if a deposit were adopted because there would be less material across which to spread the system's fixed costs. The system's overall economics would suffer as well because of the loss of high value commodities like aluminum and PET plastic, which would largely shift to the redemption system to offset its costs.

Conclusion

In conclusion, the state's recycling system is underperforming and denying state of the art recycling access to many of its residents. As a result, valuable, recyclable material is being landfilled rather than remade, which forces producers to rely on newly manufactured or produced inputs rather than recycled or reused feedstock.

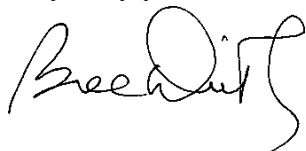
We support EPR for Rhode Island, but in the form outlined in H.7910 drawn from the language in the last four EPR laws passed in the US, not the cobbled together version presented here. We do not support a bottle bill that would affect three or four percent of Rhode Island's solid waste, based on waste composition studies. The system to implement that program would have to be built from nothing, posing enormous obstacles to siting and permitting, where EPR builds on infrastructure already in place.

Fees on products under EPR are levied at the producer level well upstream from most Rhode Island businesses – and funded largely by multinational corporations with huge brand portfolios. Fees are very small when spread out over all affected products. This translates into almost unmeasurable levels of costs on a per product basis; hence there is little evidence that EPR raises consumer prices.

In contrast, the deposit system is paid for by Rhode Island consumers and businesses; those costs all fall within the state's borders. The beneficiaries of the program, those that access additional bottles and cans to make into new containers, pay nothing – the state's residents and businesses are left with the bill.

A deposit program is a bad deal for Rhode Island – for its consumers and its businesses. EPR, if done right, promises huge benefits for taxpayers, cities and towns, and the environment. In any event, we believe the Committee and Legislature should defer any action on this or any related bills until the study mandated by last year's legislation is complete.

Very truly yours,



Bree Dietly, Principal
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Our Employees and Engagement on Recycling

American Beverage Association members produce and distribute a wide array of refreshment beverages through a network of local bottlers who live and work in Rhode Island. Our industry provides jobs for more than 500 Rhode Island residents; these jobs are some of the best paid, highest-benefit jobs available to people with and without college degrees. Many are union jobs.

The beverage industry plays an important role in advancing the circular economy. Our packaging is specifically designed and optimized for recycling. We carefully design PET bottles and aluminum cans to be 100% recyclable. Our containers have a high commodity value and when collected can become new bottles and cans again and again. The industry has invested in local and regional recycling infrastructure for more than 40 years. Our companies have made commitments to collect and recycle packaging waste, to incorporate more recycled content into our PET bottles, and to reduce the amount of new plastic in our bottles. More information on the industry's Every Bottle Back commitment of \$100 million to improve recycling in many areas of the country can be found at <https://everybottleback.org>.