Bill as Introduced

2000 SESSION

00-2637
03/10

SENATE BILL ***411-FN***

AN ACT establishing the New Hampshire returnable beverage container law.

SPONSORS: Sen. Fernald, Dist 11; Sen. Below, Dist 5; Sen. Russman, Dist 19

COMMITTEE: Ways and Means

ANALYSIS

This bill establishes the New Hampshire returnable beverage container law, which requires that beverage containers have a refund value. The commissioner of agriculture, markets, and food is responsible for administering the provisions of law and is granted rulemaking authority under this bill.

Explanation: Matter added to current law appears in ***bold italics.***
Matter removed from current law appears [~~in brackets and struckthrough.~~]
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

00-2637
03/10

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand

AN ACT establishing the New Hampshire returnable beverage container law.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 Alcoholic Beverages; Liquor Licenses and Fees; Fees and Limitations on Licenses; Additional Fees; Reversion Deleted. Amend RSA 178:28, I to read as follows:

I. In addition to the fees provided for in RSA 178:27 the following fees shall be required for licenses issued to wholesale distributors: for each wholesale distributor license $.30 for every gallon of beverages sold for resale by the licensee during the preceding calendar month, to be paid to the commission on or before the tenth day of the following month[~~; provided, however, that in the event beverage container mandatory deposit legislation is enacted, such fees shall revert to $.18 per gallon as of the effective date of such legislation~~]. For the purpose of computing the fee payable under this section all sales at retail by a wholesale distributor licensee shall be deemed to be sales for resale. Any wholesale distributor licensee shall collect, from on-sale and off-sale licensees to whom he makes sales of beverages, the fees required under this section. For failure to pay any part of the fees provided for under this section when due, 10 percent of such fees shall be added and collected by the commission from the wholesale distributor.

2 Alcoholic Beverages; Liquor Licenses and Fees; Fees and Limitations on Licenses; Beverage Manufacturer's Fees; Reversion Deleted. Amend RSA 178:30, I to read as follows:

I. In addition to the fees provided for in RSA 178:27, the following fees shall be required for licenses issued to any beverage manufacturer: for each beverage manufacturer license, $.30 for every gallon of beverages sold by the licensee to retail licensees during the preceding calendar month, to be paid to the commission on or before the tenth day of the following month. In addition to the foregoing fees, the following fees shall be required for licenses issued to any beverage manufacturer holding an off-sale license: for each beverage manufacturer license, $.30 for every gallon of beverages sold by such licensee at retail and not to other licensees for resale during the preceding calendar month, to be paid to the commission on or before the tenth day of the following month[~~; provided, however, that in the event beverage container mandatory deposit legislation is enacted, the fees imposed under this section shall revert to $.18 per gallon as of the effective date of such legislation~~]. For failure to pay any part of the fees provided in this section when due, 10 percent of such fee shall be added and collected by the commission from the manufacturer.

3 New Chapter; Returnable Beverage Containers. Amend RSA by inserting after chapter 429 the following new chapter:

CHAPTER 429-A

RETURNABLE BEVERAGE CONTAINERS

429-A:1 Definitions. In this chapter:

I. "Beverage" means beer, ale, or other drink produced by fermenting malt, wine coolers, soda or noncarbonated water, and all nonalcoholic carbonated or noncarbonated drinks in liquid form and intended for internal human consumption, except for unflavored rice milk, unflavored soymilk, milk, and dairy-derived products.

II. "Beverage container" means a bottle, can, jar, or other container made of glass, metal, or plastic that has been sealed by a manufacturer and at the time of sale contains more than 8 ounces and less than 1 liter of a beverage. This term does not include a container composed, in whole or in part, of aluminum and plastic or aluminum and paper in combination as long as the aluminum content represents 10 percent or less of the unfilled container weight, the container materials represent 5 percent or less of the total weight of the container and its contents, and the container is filled with a nonalcoholic beverage.

III. "Commissioner" means the commissioner of agriculture, markets, and food.

IV. "Consumer" means an individual who purchases a beverage in a beverage container for use or consumption.

V. "Dealer" means a person who sells, offers to sell, or engages in the sale of beverages in beverage containers to a consumer, including, but not limited to, an operator of a vending machine containing beverages in beverage containers.

VI. "Department" means the department of agriculture, markets, and food.

VII. "Distributor" means a person who engages in the sale of beverages in beverage containers to a dealer in this state and includes a manufacturer who engages in such sales.

VIII. "Manufacturer" means a person who bottles, cans, or otherwise places beverages in beverage containers for sale to distributors or dealers.

IX. "Nonrefillable" means a beverage container which, after being used by a consumer, is not to be reused as a beverage container by a manufacturer.

X. "Operator of a vending machine" means an owner of a vending machine, the person who refills it, or the owner or lessee of the property upon which it is located.

XI. "Premises" means the property of the dealer or the lessor on which the sale is made.

XII. "Refillable" means a beverage container which, after being used by a consumer, is to be reused as a beverage container at least 5 times by the manufacturer.

XIII. "Rice milk" means any liquid intended for internal human consumption of which the primary protein source is rice protein derived from partially milled down brown rice.

XIV. "Unflavored soymilk" means any liquid containing no additional flavoring ingredients and intended for internal human consumption, the primary protein source of which is soy protein derived from whole soybeans, isolated soy protein, soy protein concentrate, soy flour, spray-dried tofu, or spray-dried soymilk.

XV. "Use or consumption" means the exercise of any right or power over a beverage incident to the ownership thereof, other than the sale, storage, or retention for the purpose of sale of a beverage.

XVI. "Wine cooler" means a beverage of less than 8 percent alcohol by volume consisting of wine and:

(a) Plain, sparkling, or carbonated water; and

(b) Any one or more of the following:

(1) Fruit juices;

(2) Fruit adjuncts;

(3) Artificial or natural flavors or flavorings;

(4) Preservatives;

(5) Coloring; or

(6) Any other natural or artificial blending material.

429-A:2 Refund Value. To discourage littering and to encourage container reuse, every beverage container sold or offered for sale to a consumer in this state shall have a deposit and refund value. The deposit and refund value are determined according to the provisions of this section.

I. For refillable beverage containers, the manufacturer shall determine the deposit and refund value according to the type, kind, and size of the beverage container. The deposit and refund value shall not be less than $.05.

II. For nonrefillable beverage containers sold through geographically exclusive distributorships, the distributor shall determine and initiate the deposit and refund value according to the type, kind, and size of the beverage container. The deposit and refund value shall not be less than $.05.

III. For nonrefillable beverage containers not sold through geographically exclusive distributorships, the deposit and refund value shall not be less than $.05.

429-A:3 Dealer as Distributor. Whenever a dealer or group of dealers receives a shipment or consignment of, or in any other manner acquires, beverage containers outside the state for sale to consumers in the state, such dealer or dealers shall comply with this chapter as if they were distributors, as well as dealers.

429-A:4 Labels; Stamps; Brand Names.

I. Except as provided in paragraphs II and IV, the refund value and the words "New Hampshire" or the abbreviation "NH" shall be clearly indicated on every refundable beverage container sold or offered for sale by a dealer in this state, by embossing, stamping, labeling, or other method of secure attachment to the beverage container. The refund value shall not be indicated on the bottom of the container. Metal beverage containers must be embossed or stamped on the top of the container.

II. With respect to nonrefillable beverage containers the deposits for which are initiated pursuant to RSA 429-A:2, III, the refund value and the words "New Hampshire" or the abbreviation

"NH" must be clearly indicated on every refundable beverage container sold or offered for sale by a dealer in this state, by permanently embossing or permanently stamping the beverage containers, except in instances when the initiator of the deposit has specific permission from the department to use stickers or similar devices. The refund value may not be indicated on the bottom of the container. Metal beverage containers must be permanently embossed or permanently stamped on the tops of the containers.

III. Notwithstanding paragraph I and with respect to nonrefillable beverage containers, for the deposits that are initiated pursuant to RSA 429-A:2, II, the refund value and the words "New Hampshire" or the abbreviation "NH" shall be clearly indicated on refundable beverage containers sold or offered for sale by a dealer in this state by use of stickers or similar devices if those containers are not otherwise marked in accordance with paragraph I. A redemption center shall accept containers identified by stickers in accordance with this paragraph or by embossing or stamping in accordance with paragraph I.

IV. Refillable glass beverage containers of carbonated beverages, for which the deposit is initiated under RSA 429-A:2, I, that have a refund value of not less than $.05 and a brand name permanently marked on the container are not required to comply with paragraph I. The exception provided by this paragraph shall not apply to glass beverage containers that contain malt liquor as that term is used in title XIII.

429-A:5 Application.

I. Except as provided in this section, a dealer shall not refuse to accept from any consumer or other person not a dealer any empty, unbroken, and reasonably clean refundable beverage container of the kind, size, and brand sold by the dealer, or refuse to pay in cash the refund value of the returned beverage container as established by RSA 429-A:2. The preceding sentence shall apply to refundable cans and plastic bottles that are dented but intact. This section shall not require an operator of a vending machine to maintain a person to accept returned beverage containers on the premises where the vending machine is located.

II. A dealer may refuse to accept from a consumer or other person and to pay the refund value on any beverage container, if the place of business of the dealer and the kind, size, and brand of beverage container are included in an order of the department approving a redemption center under RSA 429-A:6.

III. A dealer may limit the total number of beverage containers to be accepted from any one consumer or other person in any one business day to 240 containers, or any other number greater than 240.

IV. A dealer may refuse to accept beverage containers during no more than 3 hours in any one business day. The dealer shall conspicuously post the hours during which containers will not be accepted pursuant to this paragraph.

V. A distributor shall not refuse to accept from any dealer or local redemption center any empty, unbroken, and reasonably clean refundable beverage container of the kind, size, and brand sold by the distributor or refuse to pay to the dealer or local redemption center the refund value of a beverage container as established by RSA 429-A:2.

VI. In addition to the payment of the refund value, the initiator of the deposit under RSA 429-A:2 shall reimburse the dealer or local redemption center for the cost of handling beverage containers subject to RSA 429-A:2, in an amount that equals at least $.03 per returned container.

VII.(a) A distributor that initiates the deposit under RSA 429-A:2, II has the obligation to pick up any empty, unbroken, and reasonably clean refundable beverage containers of the particular kind, size, and brand sold by the distributor from dealers to whom that distributor has sold those beverages and from licensed redemption centers designated to serve those dealers pursuant to an order entered under RSA 429-A:6. A distributor that, within this state, sells beverages under a particular label exclusively to one dealer, which dealer offers those labeled beverages for sale at retail exclusively at the dealer's establishment, shall pick up any empty, unbroken, and reasonably clean refundable beverage containers of the kind, size, and brand sold by the distributor to the dealer only from those licensed redemption centers that serve the various establishments of the dealer, under an order entered under RSA 429-A:6. A dealer that manufactures its own beverages for exclusive sale by that dealer at retail has the obligation of a distributor under this section.

(b) The initiator of the deposit under RSA 429-A:2, III has the obligation to pick up any empty, unbroken, and reasonably clean refundable beverage containers of the particular kind, size, and brand sold by the initiator from dealers to whom a distributor has sold those beverages and from licensed redemption centers designated to serve those dealers pursuant to an order entered under RSA 429-A:6. The obligation may be fulfilled by the initiator directly or indirectly through a contracted agent.

VIII. The obligations to accept or take empty beverage containers and to pay the refund value and handling fees for the containers described in this section apply only to containers originally sold in this state as filled beverage containers. A person who tenders to a dealer, distributor, redemption center, or bottler more than 48 empty beverage containers that the person knows or has reason to know were not originally sold in this state as filled beverage containers is subject to the enforcement action and civil penalties set forth in this paragraph. At each location where customers tender containers for redemption, dealers and redemption centers shall conspicuously display a sign in letters that are at least one inch in height with the following information: "WARNING: Persons tendering containers for redemption that were not originally purchased in this state may be subject to a fine of the greater of $100 per container or $25,000 for each tender. (RSA 429-A:5)." A person who violates the provisions of this paragraph is subject to civil penalty of the greater of $100 for each container or $25,000 for each tender of containers.

429-A:6 Redemption Centers.

I. Local redemption centers may be established and operated by any person or municipality, subject to the approval of the commissioner, to serve local dealers and consumers, at which consumers may return empty beverage containers as provided under RSA 429-A:5.

II. Application for approval of a local redemption center shall be filed with the department. The application shall state the name and address of the person responsible for the establishment and operation of the center, the kinds, sizes, and brand names of beverage containers which will be accepted and the names and addresses of dealers to be served and their distances from the local redemption center.

III. The commissioner shall approve a local redemption center if the commissioner finds that the center will provide a convenient service for the return of empty beverage containers. The order approving a local redemption center shall state the dealers to be served and the kinds, sizes, and brand names of empty beverage containers which the center shall accept.

IV. A local redemption center shall not refuse to accept from any consumer or other person not a dealer any empty, unbroken, and reasonably clean refundable beverage container of the kind, size, and brand sold by a dealer served by the center or refuse to pay in cash the refund value of the returned beverage container as established by RSA 429-A:2.

V. A list of the dealers served and the kinds, sizes, and brand names of empty beverage containers accepted shall be prominently displayed at each local redemption center.

VI. The commissioner may, after notice and hearing, withdraw approval of a local redemption center if there has not been compliance with the approval order or if the local redemption center no longer provides a convenient service to the public.

429-A:7 Penalties. Unless otherwise provided in this chapter, a violation of the provisions of this chapter by any person shall subject the person to a civil forfeiture to the state of not more than $100 for each violation, and for each day of a continuing violation; provided, however, that a forfeiture of $1000 may be adjudged against a person who knowingly violates a provision of RSA 429-A:5, VII.

429-A:8 Exception for Beverage Containers Used on International Flights. This chapter shall not apply to any beverage container sold to an airline and containing a beverage intended for consumption on an aircraft flight in interstate or foreign commerce.

429-A:9 Rulemaking. The commissioner may adopt rules pursuant to RSA 541-A relative to:

I. The manner in which distributors shall fulfill the obligations imposed by RSA 429-A:5, VII(a).

II. A minimum number or value of containers below which a distributor is not required to respond to a request to pick up empty containers.

III. Allocation of the burdens associated with the handling, storage, and transportation of empty containers to prevent unreasonable financial or other hardship.

IV. Procedures for designating certain transportation activities and storage or production facilities or portions of facilities as exempt from RSA 429-A:10, V.

429-A:10 Unlawful Possession of Beverage Containers.

I. No person shall possess more than 48 full beverage containers that are not labeled under RSA 429-A:4. This section shall not apply to solid waste facilities permitted under RSA 149-M.

II. Any person violating this section within one year of its effective date shall be issued a warning that a violation of this section has occurred and shall not be subject to the penalties in paragraph III.

III. A violation of this section shall subject the person to a civil forfeiture to the state of $20 per container in excess of 48 beverage containers.

IV. The New Hampshire state police shall enforce this section and prosecute any person found in violation.

V. The department may exempt from this section, under procedures adopted pursuant to RSA 429-A:9, IV, certain transportation activities and storage or production facilities or portions of facilities based on a showing by the person owning or operating the facility or undertaking the activity that:

(a) The beverage containers stored or transported are intended solely for retail sale outside of the state; or

(b) The person is licensed under RSA 178 and the beverage containers are being transported to and stored in a facility prior to labeling and subsequent retail sale within the state. The department may require reporting of the numbers of beverage containers imported into and exported from the state under the terms of this section.

4 Effective Date. This act shall take effect January 1, 2001.

LBAO
00-2637
12/16/99

SB 411-FN - FISCAL NOTE

AN ACT establishing the New Hampshire returnable beverage container law.

FISCAL IMPACT:

The Liquor Commission indicates this bill will decrease state general fund revenue by $2.3 million in FY 2001 and by $4.6 million each year thereafter. The Office of State Planning indicates this bill will decrease local revenue by $.6 million in FY 2001 and by $1.3 million each year thereafter. The Liquor Commission and the Department of Environmental Services indicate this bill will increase state general fund expenditures by an indeterminable amount in FY 2001 and each year thereafter. The Department of Agriculture, Markets and Food indicates this bill will increase state general fund expenditures by $37,784 in FY 2001, $41,949 in FY 2002, $43,508 in FY 2003, and by $45,245 in FY 2004. There will be no fiscal impact on county revenue or county and local expenditures.

METHODOLOGY:

The Liquor Commission states that placing a deposit on beer containers will reduce the number of gallons of beer sold annually by approximately 40% since the state will no longer have a price advantage over surrounding states. Since the bill removes the reduction in beer tax from 30 to 18 cents a gallon, the Commission applied the 40% reduction to FY 1999 beer tax receipts, $11,654,235, to estimate an annual revenue loss of $4,625,694 per year. This bill is effective January 2001, therefor, the first year would be half that amount, or $2,312,847.

The Liquor Commission states general fund expenditures will increase by an indeterminable amount because the Commission will be responsible for the cost of refunds on wine containers and the transportation, temporary storage and disposal of all qualifying wine containers sold to on-premise and off-premise licensees.

The Office of State Planning states municipalities collected $1,331,370 in recycling revenue in FY 1998 and used that amount to estimate the impact of this bill. The Office assumes the municipalities will lose half that revenue, $665,685, in FY 2001 and all of the revenue in each of the following years.

The Department of Agriculture, Markets and Food states it will hire an employee, labor grade 18, to oversee the program. The Department will incur costs related to salary, benefits, current expense, equipment and travel.

The Department of Environmental Services states this bill may require more work for the planning and community assistance section of its Waste Management Division, which provides technical assistance, outreach, education and data collection on solid waste and recycling matters. The potential increase in general fund expenditures cannot be estimated.

Committee Minutes

To: Members of the Senate
From: Megan Konys, Senate Legislative Aide
Date: February 16, 2000
Re: **Hearing report on SB 411,** establishing the New Hampshire returnable beverage container law. **(Senate Environment Committee 2/10/00)**

Sponsors: Sen. Fernald, Dist 11; Sen. Below, Dist 5; Sen. Russman, Dist 19

What the bill does: This bill establishes the New Hampshire returnable beverage container law, which requires that beverage containers have a refund value. The commissioner of agriculture, markets, and food is responsible for administering the provisions of law and is granted rulemaking authority under this bill.

Who supports the bill: Sen. Fernald, Dist 11; Sen. Below, Dist 5; Rep. Tuthill, Sull 5; Marjory Swope, NH Association of Conservation Commissioners; Steve Blackledge, NH PIRG

No position on the bill: NH DES

Who opposes the bill: NH Grocers Association; Pepsi-Cola Co; Coca-Cola Co.; New England Convenience Stores Association; NH Lodging and Restaurant Association; Smuttynose Brewing Co.; Portsmouth Brewery; Retail Merchants Association; NH Beer Distributors; Distilled Spirits Council of the U.S.; Wine Institute; Anheiser-Busch; NH Wholesale Beverage Association; NH The Beautiful; City of Manchester; Town of Windham; NH Soft Drink Association; Ray's State Line Market; GMA; Eaton's General Store

Testimony report: Sen. Fernald cited NH's litter problem as his primary reason for introducing this bill. He believes that this legislation will encourage recycling and reduce litter on NH roadways. That is why, he explained, this bill targets those types of containers most often disposed of on the side of the road. Unfortunately, the Adopt-A-Highway program is cleaning less than 10% of the roadsides in NH.

Sen. Fernald also noted that he believes the fiscal note attached to SB 411 is skewed. It is based on a 40% reduction in beer consumption (which was estimated by the Liquor Commission to be the impact of this legislation). He stated that the impact, as estimated by the Office of State Planning would have one believe that if this bill passes, no one in the state of NH will recycle any longer. Sen. Fernald also mentioned that there may need to be a change to the definition of wine cooler to mean a beverage of less than 6% alcohol by volume in order to solve one potential problem with this bill.

Sen. Below, a co-sponsor, also testified in support of SB 411. He stated that NH needs to reduce, reuse, and recycle. He agrees that the bill needs to be amended to support and enhance local recycling centers already established throughout the state. NH PIRG also testified in support of SB 411, noting that there are 9 states with bottle bills in the Northeast (counting Delaware), including each of our neighbor states. NH PIRG stated that bottle bills have proven effective in other states, dramatically reducing litter and boosting recycling. In all, 11 states have container redemption laws.

Several individuals testified in opposition to SB 411. The primary reasons for opposing the include the following:

- The forcing of returnable containers on retailers through bottle bill legislation is counterproductive, duplicative, and extremely costly.
- There will be increased costs to retailers, communities, and consumers.
- Millions of dollars will be lost in state revenue through reductions in the BPT, BET, Cigarette Tax, and Beer Taxes.
- Bills similar to this have not "solved" the recycling problem in other states.
- This legislation will take away border sales. (NH Wholesale Beverage Association testified that 58% of NH sales are due to out-of-state business.)
- This bill will wipe out NH advantage.
- It is an expensive way to encourage recycling.
- It will hurt small businesses.
- Massachusetts is looking into rescinding its deposit bill. There has not been a new bottle bill introduced in any state since 1983. (Noted by the President of Coca-Cola Bottling Company of New England)
- It will have a negative impact on established recycling programs in NH. It would also hurt privatized curb-side recycling and would increase costs to cities. (As noted by the City of Manchester)
- If this bill is aimed at removing litter from NH roadways, than why isn't there a deposit on other litter? Fast food wrappers, etc?
- In 1998, a similar bottle bill was voted inexpedient to legislate by a 2 to 1 margin in the NH House of Representatives.

Those in opposition suggested the following alternatives to SB 411:

- NH should promote education and better infrastructure in order to improve recycling in the state. Through education of the public and broad-based support of the business and municipal community, consumers may actively support local voluntary recycling programs and help reduce litter.
- In addition, NH should work with NH the Beautiful and other recycling programs to increase local support and participation.

Funding: The Liquor Commission indicates this bill will decrease state general fund revenue b $2.3 million in FY 2001 and by $4.6 million each year thereafter. The Office

of State Planning indicates this bill will decrease local revenue by $.6 million in FY 2001 and by $1.3 million each year thereafter. The Liquor Commission and the Department of Environmental Services indicate this bill will increase state general fund expenditures by an indeterminable amount in FY 2001 and each year thereafter. The Department of Agriculture, Markets and Food indicates this bill will increase state general fund expenditures by $37,784 in FY 2001, $41,949 in FY 2002, $43,508 in FY 2003, and by $45,245 in FY 2004. There will be no fiscal impact on county revenue or county and local expenditures.

Future Action: Pending

Date: March 28, 2000
Time: 2:10pm
Room: LOB104

The Senate Committee on Environment held a hearing on the following:

SB411 establishing the New Hampshire returnable beverage container law.

Members of Committee present:

Senator Russman
Senator Cohen
Senator Below
Senator Eaton
Senator Johnson
Senator Krueger
Senator Pignatelli
Senator Wheeler

The Chair, Senator Richard Russman, opened the hearing.

Senator Richard L. Russman, D. 19: We'll open the hearing on SB411 and recognize the Prime Sponsor, Senator Fernald. Welcome.

Senator Mark Fernald, D. 11: Thank you Mr. Chairman. members of the committee. Thank you for this opportunity to speak to this bill. The reason I have sponsored this bill quite simply is because the roads in New Hampshire are filthy and the biggest source of the trash there, at least the most egregious is the bottles and cans and so I put together this bill with an idea that we need to attack the litter problem in New Hampshire.

Now I could say what we often say in this state which is tourism is our second largest industry or our largest industry or which ever it is and we need to make New Hampshire beautiful for our tourists so that they'll continue to come here. But I think a more important point is we all live here and we should clean up our roadsides for ourselves, and it is indisputable from the experience of other states that it works. The litter comes off the roads if you have a bottle bill, and it's a happy coincidence, or outcome, that when you have a bottle bill, the bottles and cans come off the road but some

of the other litter doesn't show up either because it goes out the window with the bottles and cans and it doesn't go out the window anymore.

A number of states have put in bottle bills in the past because they wanted to encourage recycling and reduce litter, and this was at a time when there were very few recycling programs, and I'm sure that was a worthy goal to try to encourage recycling through a bottle bill. I think it's an expensive way to encourage recycling and so the intent of this bill is to have it narrowly focused on those containers that are likely to be thrown on the side of the road.

So, it excludes containers of a liter and larger. It excludes containers of eight ounces and less. It excludes dairy products. It excludes liquor and wine. It is aimed at single serving containers that generally are the ones you find on the side of the road.

I've heard a number of arguments against this bill, and I must say the arguments don't make sense to me, and actually maybe I should start with the fiscal note which is a little troubling to me. I think these fiscal notes are very important. The legislature pays close attention to them and I would hope that people who create these fiscal notes would put effort into them so that we get real information to the legislators.

The first fiscal note from the liquor commission, is based on an assumption that we will see a forty percent decrease in beer sales in New Hampshire. I had Senate Research find out per capita beer consumption for the New England States and New Hampshire is significantly higher than the other states but if our beer consumption went down to the level of neighboring states, it would not be a forty percent drop. So, they have a number here that doesn't make any sense.

There's a second fiscal note point which talks about an indeterminable amount of increase in general fund expenditures. I have been lead to understand today by something else I read that there's a concern that the deposit might actually apply to wine because of the way we've defined wine cooler. The definition of wine cooler is a combination of wine and sparkling water and juice and so on and I don't quite understand how that can apply to wine because I always understood wine just to be fermented grape juice, and not including sparkling water or sugar or other additives. But I could be corrected on that and at least the thing I read this morning indicated that if we lowered the percentage of alcohol from 8%to 6%, it would solve that problem in the second point of the fiscal note.

Third point in the fiscal note has to do with loss of recycling revenue and apparently the office of state planning has concluded that if we did a bottle bill that no one would recycle anything ever again in New Hampshire and all the recycling revenue at the local level would be lost. Which, again, does not provide the legislature with any real information because its nonsense.

Now, I want to talk about some of the arguments against the bill which I think will help you know why I support this bill. One argument has been that

we've got efforts in this state to clean up the road sides, and they're working. We have the adopt a highway program, where volunteers go out and clean up a section of highway, hopefully four times a year. I called the Department of Transportation to find out how many roads, miles of highway, are cleaned up each year under this program, and what I was told was it's about fourteen hundred miles. Then I asked how many miles of state road do we have and the answer is four thousand, one hundred and seventy three. Then I asked how many miles of local roads do we have. Eleven thousand and fifty-one. So, we're not even cleaning up ten percent of the roadsides in New Hampshire with the adopt a highway program. So, the suggestion that I think will be made by speakers after me, this program is a great success and we're keeping the roads clean is simply not true.

Of course there are other efforts to clean up roads besides the state system, the state effort, the adopt a highway program. Towns like my own, have efforts to clean up the roadsides and we send out volunteers to clean up the roads and what you will find if you talk to people who do this is volunteer fatigue. You go out with your wife in your kids in the car and the buckets and the barrels on a Saturday and you clean up two miles of road and you feel really good about it that you got five hundred and sixty-seven cans in your two miles and then the next morning when you're going to church what do you see on the side of the road but more bottles and cans that showed up since you were there cleaning.

The way to clean the roads is a bottle bill which keeps a lot of cans off the road and also encourages people to pick up what's there so we don't need volunteers going out once or twice a year to clean up and I know my two minutes is up but I want to say one more thing about recycling.

I called a recycling center in Massachusetts, and asked them about their experience with a bottle bill, and they have a certain number of people who don't want to be bothered with returning bottles and cans so they bring them to the recycling center and just leave them where they are worth a nickel a piece, whereas as recyclables, they are probably worth a half a cent or a tenth of a cent depending on whether they're aluminum or glass and they make over two thousand dollars a year on returnables which almost equals, I would say what they might lose in terms of absence of aluminum cans which is really the only type of container that has any significant value in the recycling steam. The glass has very little value and only a portion of the plastic is bottles and cans. I guess I should stop now though I have other things I could say but there's many speakers but I thank you and I guess I should ask if you have any questions.

Senator Richard L. Russman, D. 19: Senator Johnson.

Senator Carl R. Johnson, D. 3: Just a quick question Senator Fernald if I may. Thank you Mr. Chairman. In your statistics, has anyone come up with a percentage of other product versus bottles and cans that they pick up?

Senator Mark Fernald, D. 11: You mean on the roadsides?

Senator Carl R. Johnson, D. 3: Yes on the roadsides.

Senator Mark Fernald, D. 11: I'm sure those statistics are out there. One thing I would say is that, again, this is from my experience because I've done the adopt a highway and I've done the back roads of my town and Peterboro and towns, and the percentage of bottles and cans on the state highways is smaller than on the back roads. The back roads, it's from my experience, 90% bottles and cans. On the state highways, less than half so it depends on where you are and that's just from my first hand experience. I don't know that the roads in my area are different from any other area.

Senator Richard L. Russman, D. 19: Questions? Senator Cohen.

Senator Burton J. Cohen, D. 24: Just a question on the experience in other states under this bill is it the retailer that collects the empty bottles and cans?

Senator Mark Fernald, D. 11: Good question. The retailer has an obligation to take back the returnables, however, under this bill we can have redemption centers, and if a redemption center is set up in a particular area, then the retailers don't have to take back the bottles and cans, and we have put in the bill, that municipalities have the option of being a redemption center. I mean as it is now, people bring their barrel of bottles and cans and they throw them into the bin and smash them, but if the town decides to be a recycling center and a redemption center, people still bring the same barrel with bottles and cans but the ones that are worth a nickel, they put through the nickel window and the rest they put into the bins that get recycled so it would give towns the option of being a redemption center, take the burden off of the local retailers and the towns would get the redemption income rather than the recycling income on those items that they decide to redeem.

Senator Richard L. Russman, D. 19: Further questions? Thanks very much for your testimony. The chair would recognize Senator Below.

Senator Clifton Below, D. 5: Thank you Mr. Chairman. I am State Senator Clifton Below, District 5. I co-sponsored this bill because I believe simply that if we are going to sustain ourselves in the long term on this planet in a way that is environmentally sustainable, we need to reduce, reuse and recycle to

the best extent possible that is economically feasible. We need to conserve natural resources and energy and make wise use of those as stewards of this planet.

The simple fact is that states with deposits on beverage containers have much higher recycling rates than states without on average. Nationally there is varied statistics but the national average of recycling of aluminum beverage containers seems to be around fifty-five percent. States with deposits are at eighty percent plus. States without are in the range of forty-six percent on average.

Just to illustrate, about a quarter of the population of the United States lives in states with deposit laws, bottle bills, and three quarters, without. According to a US EPA study in 1997 or for the year 1995, the states with deposit with bottle bills recycled about one point six million tons of beverage containers. The states without deposit on beverage containers, recycled only one point three million tons. In other words, a quarter of the population in those states with bottle bills accounted for more than half of the recycling of beverage containers in the nation.

Aluminum, of course, is the biggest beverage container is also the most profitable element in recycling New Hampshire and I know that it helps sustain recycling centers, and I think that it is true that this bill needs some work so that it fits with the New Hampshire way that we have developed of recycling. That it supports and enhances community based recycling efforts and to do that the bill would need some work so that beverage containers could be brought to and redeemed at local recycling centers, preferably without having to be sorted and returned to the distributor but rather could be directly recycled, and I think there are ways to do that.

California has that kind of system where they're not returned to the stores but can go and enter into the recycling program so the goal is to improve and enhance recycling, reduce the vast amount of energy and pollution that results from not recycling finished aluminum, and I had just had this prop brought over at the Senate and chances are if I left this sitting on the table it's going to end up sitting in the trash can because I've seen aluminum cans around the State House in trash cans. If they had a five cent deposit on it which it happens to have from Maine here, but not new Hampshire, chances are that somebody is going to take it and collect it because it has some value. So, it's simple logic and I recognize there's a lot of concerns about this bill and be happy to work as a member of the committee to see if we cant address this.

Senator Richard L. Russman, D. 19: Thanks very much for your testimony.

Jim Killeen: My name is Jim Killeen. I am President and founder of Nutfield Brewing Company in Derry New Hampshire. We are opposed to the bottle bill. We are small brewery in Derry. In fact we are working with the Office of State Planning to hopefully build a new facility in Derry and I see

this bottle bill working against us long term. I don't believe it's in the best interest of the small brewing industry in New Hampshire and certainly not in the best interest of Nutfield Brewing Company. I'd have to think long and hard about investing money into Derry and to a new facility if the bill gets past because it's definitely going to have a detrimental effect on my business and also the town of Derry.

Senator Richard L. Russman, D. 19: Questions?

Senator Burton J. Cohen, D. 24: Any guesses as to what percentage of the bottles and cans are currently recycled now?

Jim Killeen: It's really hard for us to predict that because obviously once it leaves the brewery we don't track that it's all done by the local communities which have their own procedures in place. But, obviously it's going to have a detrimental effect on the business side of the brewery and I just want to see it in the best interest of the small business and the breweries in New Hampshire, other than one larger one are all small breweries, and I mean very small.

Senator Debora B. Pignatelli, D. 13: The detrimental effect is that somebody is going to have to pay 30 cents more for a six pack is that it or is there another....

Jim Killeen: Primarily the increase cost to the retail and we are located in the southern part of the state, and 80% of our sales as a small company come in the State of New Hampshire, although we do sell in the State of Massachusetts, what keeps our lights on are the beer that we sell in New Hampshire and particularly in the Southern part of the State and once you cross the border, the attention our beer gets in Massachusetts with six million people is far less so we don't see the bottle bill equalizing things in terms of sales in Massachusetts. It would we believe, take away sales in Southern New Hampshire from our company, and we're up against import companies who could potentially if they had to raise the prices could do that and absorb that but a small brewery such as ourselves wouldn't be able to do that.

Senator Richard L. Russman, D. 19: Any further questions? Chair would recognize Clark Corson.

Clark Corson: Mr. Chairman, thank you. I'd like to defer my time to Mike McGinn.

Senator Richard L. Russman, D. 19: O.k., Mike McGinn come on up.

Mike McGinn: Mr. Chairman, thank you. Members of the Committee, my name is Mike McGinn. I'm the President of the New Hampshire Wholesale Beverage Association which is primarily the beer distributors and I will be very brief. I'm going to talk just a little bit about the impact that this would have on our business at the borders. Primarily the Massachusetts borders.

. When you look at the amount of business we do with out of state people, I think there was an article in the Globe last week that talked about it being between fifty-eight and twenty percent of the sales in New Hampshire are attributable to people from out of state and that is... the reason for that is the price advantage that we enjoy at the border, and in speaking to some of the Massachusetts wholesalers and in speaking to their association Executive Director, they figured that it cost them between a dollar ten and a dollar twenty in incremental costs to engage in a bottle bill, and that's not including deposit, and when you look at that cost and what happens to that cost as it goes through the system, it's marked up by the wholesaler and it's marked up by the retailer and what you have now is a situation where we could see anywhere form a dollar to two dollars and twenty-five cents on various items across the board and that would take the competitive advantage that we currently have in Massachusetts and Maine and Vermont and reduce that.... Not reduce it it would wipe it out, and when you look at the impact that would have to our general fund when you consider what we've contributed to that based on those sales, it's pretty dramatic.

Senator Richard L. Russman, D. 19: Are you saying that a six pack is going to be two dollars more for a six pack. Right now, Mr. Chairman, a six pack right now is between twenty-five and seventy-five cents greater in costing Massachusetts and one of the things you'd have to consider here is that our excise tax rate is actually three hundred percent greater than Massachusetts.

For instance, we figure that ninety percent of the out of state sales comes from Massachusetts, and despite the fact that we have that wide disparity, we're still able to maintain a price advantage. In addition to the fact that we don't have the deposit and some people obviously don't want to be bothered and that.

So, yes, I am saying that a six pack can be right now is fifty cents, thirty packs for instance are anywhere form a dollar fifty to two fifty, and twelve packs are a dollar to a dollar fifty, and if you took a dollar and used just a twenty-five percent margin and marked it up, you'd be about a dollar seventy-seven. That's not to suggest that a wholesaler and retailer consistently use a twenty-five percent margin but I'm here to tell you that the wholesaler is going to between eighteen and thirty percent and a retailer, depending on the item, will be between five percent and thirty-five percent so there is definitely going to be a cost associated with implementing a bottle bill. If we behave at all like our neighboring states.

And, finally, I guess I'd say that Marghie Seymour will be testifying after me at some point and in one of her handouts she suggests that the bottle bill, this bottle bill, targets items that essentially contribute twenty percent of the litter stream so we're asking this particular bill would deal with twenty percent of the revenue stream and possibly impact the general fund anywhere from four million to five million dollars.

Senator Richard L. Russman, D. 19: Thank you. Questions? Thank you very much for your testimony. The chair would note that there are some people here that have signed up opposed to this but not wishing to testify; David Walker of Portsmouth of Pepsi-Cola opposed to it does not wish to speak, Tom Cullity of Tewksbury, also from Pepsi-Cola opposed to it does not wish to speak. Bruce Berke of NE Convenience Stores Assoc, did not wish to speak, opposed to the bill. Henry Bayer form the New Hampshire Restaurant and Lodging Association is opposed to the bill does not wish to speak. Curtis Barry, Retail Merchants Association of N.H.& Distilled Spirits Council of the U.S., and R.B. Pears of Bow, Opposed to the bill, does not wish to speak, and o.k., the Chair would recognize Peter Egelston.

Peter Egelston: Good afternoon. Thank you for hearing me. Let me introduce myself. My name is Peter Egelston. I am the owner of Smuttynose Brewing Company, another small brewery in the State of New Hampshire as well as a restaurant in Portsmouth. The Portsmouth Brewery. Some of you may be familiar with either or both of these businesses.

Without replowing the same ground that's been covered mainly by colleague and competitor Jim Killeen, I agree with everything he said and we'll leave it at that. I would like to say on a personal level, I am an avid recycler. I have big bins in my barn and it's all separated out the cans and the aluminum and the glass and so on and so forth. At my restaurant we are avid recyclers. That's done partly because we want to make that part of our culture and it's also done partly for economic reasons. We do it jointly with the restaurant next door to us. We share a common recycling facilities that the public is free to use at our expense, on our nickel and it's the right thing to do for us. I think as Senator Fernald pointed out in his testimony, this bill is an expensive way to encourage recycling. I think the real key is recycling, because recycling encompasses so many other things besides cans and bottles; paint cans, motor oil, anti freeze, all kinds of industrial products, metal, glass, the whole works, paper products. To create a kind of another layer of regulation and infrastructure at the cost, the real cost to small businesses like mine, I don't think is really the way to tackle this problem and resolve it in the long run. I do think we need to emphasize education. I do think we need to create a better infrastructure that will encourage recycling of all types across the board and I'll leave it at that. Thank you. Questions for Peter Egelston. O.k., thank you very much for your testimony. I'd note that

Marjorie Swope representing the New Hampshire Association of Conservation Commissions is in favor of the bill, does not wish to speak. The Chair would recognize Marghie Seymour.

Marghie Seymour: Thank you. Good afternoon I am Marghie Seymour. I am the Executive Director of New Hampshire the beautiful which was formed in 1983 in response to another bottle bill that was almost passed in the State of New Hampshire. [Written Testimony Attachment A].

Senator Richard L. Russman, D. 19: Questions?

Senator Debora B. Pignatelli, D. 13: The bottle bill sounds terrible! If that's the case, are Maine and Vermont and Massachusetts and other states with a bottle bill planning to repeal theirs?

Marghie Seymour: Some of them are trying to repeal them and let me tell you something about Vermont just quickly.

Vermont has had a program called green-up Vermont in place for more than thirty years. They spend fifty-thousand a year on that office and they have more than eighty percent of their towns taking part in an annual statewide cleanup. In addition to that, their highway department still spends over five hundred thousand dollars a year going out and picking up litter on the roadsides because there's still litter out there even with their bottle bill and they're bottle bill still costs the people in the State of Vermont more than six million dollars a year for the redemption process.

If New Hampshire put fifty thousand dollars a year into having somebody work on litter programs, period, and continue to spend what's an amount of money that is going down in spite of it only being thirty-six percent of the roads adopted. The annual cost for cleaning up our roadsides has been dropping since we started the adopt a highway program it's been worked out every year.

Senator Debora B. Pignatelli, D. 13: Has any state rescinded the bottle bill because....

Marghie Seymore: No they have not and one of the reasons is because once the redemption process is in place, and you have all kinds of people whose lively hood depends on that redemption process and so all of those states started their program. They have their redemption centers all over the place and every time they want to repeal it, they have all these people saying no, that's our livelihood you can't take that away. We don't have that and we don't need that.

Senator Richard L. Russman, D. 19: Thanks very much for your testimony. The chair would recognize John Dumas New Hampshire Grocers Association.

John Dumas: Hello Mr. Chairman, members of the committee, I'll be very brief. We represent the food stores in the state of New Hampshire. We have about thirteen hundred food stores of all sizes from the large chains to the small independents and one of my members couldn't be here today and ask to resubmit testimony in a revision form. This is from Hannaford Brothers [Written Testimony Attachment B].

Senator Richard L. Russman, D. 19: Questions?

Senator Burton J. Cohen, D. 24: [inaudible]..... if you have not a lot of space to recycle... do you.....

John Dumas: Sure. I had a store of thirty years ago that we had our groceries come in once a month so we had a very large basement or back room for all those deliveries to come in. Today's economies of scale of trying to get the things to the consumer the cheapest way means that today's stores are built without back rooms or basements.

We have just enough distributing area to receive it fromthe truck to the back room to put it on the floor. In fact many times you go to the store and you'll see the groceries are in the isle waiting to be put on the shelves because they don't have back room space. Putting a bottle bill in would require us to either add on to our facility some kind of protection for these containers to be sealed off so they couldn't be stolen on us.

That means building additional space or fencing it off in another building. It also would mean that we'd bring back, sugar syrup items near the store which means that we're going to have flies, which means we're going to have rodents, which means we're going to have higher pest control and broken bottles, sharp cans meaning we're going to have more cuts more workers cut claims in addition to additional labor so it's a no win situation for New Hampshire Business, it's also a no win situation for New Hampshire in general.

Senator Patricia Krueger, D. 16: I was wondering if there is a health issue with recycling, with employees that you would have that would have to handle this. We're finding out more and more about hepatitis and transmission through saliva and I was wondering if that had been something that you had thought of.

John Dumas: It certainly is, it's something we're very concerned with and certainly in today's environment, we have a bill that we're trying to introduce

about food certification and keeping potentially hazardous foods and keeping a clean environment in the stores. We have a good reputation in the food industry of having clean, sanitary stores. I don't think you can say that for other states. If you look at their back rooms and look at what they have to put up with in bottle bill states such as Maine or Vermont or Massachusetts, and it is a concern because the bottles don't come back, a lot of the bills have been said that the retailer only has to accept containers that have been cleaned and washed out.

Well if you're my customer and you're a good customer, and you're teenage boy brings back the containers and they are not clean, I'm not going to refuse them because you're my good customer. I don't want to lose you. I don't want to offend you , and what happens is more times than not you're going to have the sugar, syrups, coming back into the store. But in addition to sugar syrups, there's a lot of other things that can be put in those containers and you have a lot of different personalities out there who will put things in containers that shouldn't be there. There's a lot of things that we have to put up with that you wouldn't want to see back in the containers.

Senator Richard L. Russman, D. 19: Let me ask you a question . Can you cite me one example of any health epidemics that are in other states where there's a bottle bill.

John Dumas: I don't think it's a health epidemic. It's a long term consequence.

Senator Richard L. Russman, D. 19: Can you cite me anything that shows how the State has....[inaudible]

John Dumas: I can show you higher sanitation costs to the stores and pest control costs that the stores incur in trying to stop it from happening and it's happening more and more all the time.

Senator Clifton Below, D. 5: If there was a way to do this where the containers were being returned to the recycling centers rather than retail stores, could that potentially be more amenable?

John Dumas: That would be amenable on the part of keeping the store more clean, it would not be amenable on the part of the fact that most of our beverages are sold out of state or a good percentage of our beverages are sold to out of state tourism. You're taking away any advantage or any reason why we'd want to buy the product in New Hampshire.

Senator Clifton Below, D. 5: Further question. Would we still have the advantage compared to all of the other states that have a sales tax?

John Dumas: No, absolutely not.

Senator Richard L. Russman, D. 19: Thanks for your testimony. The chair would recognize Wes Elmer.

Wes Elmer: Thank you. Thank you Mr. Chairman my name is Wes Elmer. I am president of Coca-Cola bottling company of Northern New England. We're headquartered in Bedford, New Hampshire and I guess the thing that is different about us is that we have business in both Maine and New Hampshire and we do business there and what I can give you, I guess, in addition to my opinion which of course, is opposed, is my results from 1999 which are not supposition or rejections but actual results based on some pretty similar states, and I'll be brief too, but before I get into that I just wanted to say that there was a question before about no bottle bill has ever been rescinded.

Actually Massachusetts currently is considering with a Senate Committee a comprehensive bill that would include comprehensive recycling that would include a phase out of the bottle bill and I don't recall the number of that but Senator John Bemenda is the Chair of that and that's taking place literally within the next month or so the first meeting.

The other thing I'd like to say on that and then I'll get into this other is that there hasn't been a new bottle bill anywhere in the united states since 1983. It's an idea who's time has come and gone. There just hasn't been any. There's been hundreds that have been considered and every one of them has been rejected as a way of handling the comprehensive recycling.

So now, on to my own experience. We do business in Maine and New Hampshire and we have virtually all of Maine and new Hampshire as part of our territory. Soft drinks are exclusive territorial franchises so you'll literally have a map that you serve. We have our production center in Londonderry New Hampshire. We're a New Hampshire based operation. The population in New Hampshire roughly is a million one eighteen. 1,118,000 you probably know. Maine is a 1,237,000 is the best figures I can get. I think they're pretty close. So they're almost identical. Maine has slightly more.

The biggest difference between the two states as far as we're concerned is a bottle bill. I'm not going to give you my actual case volume. I've got competition in the room. In terms of percent of my business, we do forty percent of our business in the State of New Hampshire as a corporation, and with the same population same efforts etc., we do under twenty-five percent of our business in the State of Maine. So, that's a huge differential in terms of the volume that we'd lose. The net sales income per case, which is our cost of work we have to charge or we do charge or want to charge to cover all our expenses including bottle bill expenses, turned out for the year 1999 to be 91cents per case higher in the State of Maine than they were in the State of

New Hampshire. So we, in fact, did charge the retailers in the state of Maine 91 cents per case more than we charged the retailers in the State of new Hampshire. This all reflects itself in the number of employees we can hire. I have four hundred and seventy-five full time employees in the State of New Hampshire who pay full fringes, full benefits. I think we have a living wage in all of our jobs. I think they are good jobs. Also we have good jobs and we love being in the State of Maine however there are two hundred and nine people that we employ in the State of Maine so 475 to 209, that follows with capital equipment invested. Now I told you that we have our production center in New Hampshire, in Londonderry, it's a pretty good size one it's over three hundred thousand square feet down there off exit five, and we have in the capital equipment invested in the state of New Hampshire from 1989 to right up current, that's eleven years, or actually it's ten plus some change, is $84,132,000.00 that we've invested in this state versus $28, 298,000.00 in the State of Maine. Now business goes where business succeeds. We can only invest that money, we can only hire those people. We can only do this if we have a friendly environment.

As John Dumas stated, the bottle bill environment is unfriendly to us. We have a difficult time with it. It is expensive as you can imagine. The recycling, the smell, the difficulty in working the containers, it's just not the best way to do it, and the rest of the United States has basically rejected it as a method of solving their problems, either litter or recycling, and I would urge you to do the same thing and to work with people like New Hampshire the Beautiful and other methods to get comprehensive recycling and comprehensive litter pick-up.

Senator Richard L. Russman, D. 19: Questions for Mr. Elmer.

Senator Katherine W. Wheeler, D. 21: Thank you. Mr. Chairman, Mr. Elmer having spent a large part of my youth in seven-up bottling plants and watching the glass bottles being washed in soapy water by machine and then being rebottled and put in wooden cases and carted off . I have a certain nostalgia for the idea of reusing a bottle rather than bashing it up and rebuilding it but that's not happening anymore is it?

Wes Elmer: Not to any great degree and you and I have something in common. When I was in high school I started out packing groceries and I was also sorting bottles back in high school as poor tending of future I guess in the bottling industry, but anyway, I did the same thing. In fact, we bottled seven-up until about 1992 when we switched to coca-cola's sprite product, because it was a better product,[laughter] and it is a very competitive business, you bring up a good point. However, no, and the reason and a couple of things, people think well this would be good. It really wouldn't be good. Look at the price of gasoline now. Look at the price of gasoline and

diesel fuel is right now. Look at what we're dealing with in terms of efficiency.

When I do returnable containers and I have to use caustic to clean them, I have a whole different scenario with regards to sewerage. I have a different BOD count that goes to the sewerage commission. I have different costs regarding that. I foul the environment in all sorts of different ways, plus the returnable containers in their shelves took up a monstrous amount of room. They are difficult to move. People get cut with them. There's a lot of disadvantages to that. One of the biggest ones right now that you can appreciate is that now with diesel fuel being what around two dollars and some change per gallon, I can deliver five hundred cases per truck with one ways and plastic and that sort of thing that are much more efficient to deliver. With those kind of packages, a good day back in the old days was a hundred and fifty cases. So you'd make more trips. You'd burn more gas. There's no free lunch with regard to any of this, however, a bottle bill is just a hugely expensive way to try to solve it.

Senator Katherine W. Wheeler, D. 21: I think the conclusion in my own mind I was drawing. I want to see if I'm correct is that with a bottle bill today, we aren't talking about going back to glass bottles that we're reusing, we're still talking about recycling them. I mean recycling rather than reusing.

Wes Elmer: That's right, and the problem there becomes the pickup. I would invite you to if you care to, I've got plants, I got a plant in Lowell, Massachusetts. I got a plant in South Portland Maine. I've got one in Bangor Maine, and you need to see it to believe it. You literally need to see the people come in off the route trucks with their bags and bottles. You need to smell the way they smell as we crush them to know what's inside, and what John was talking about. The whole system is designed to go a direction and when they get to municipal recycling, that's what makes the sense. Now we can do better at it and we should do better at it and we should have better litter programs. But, it makes no sense what so ever to take that whole bunch of product and try to jam it back through the other way. It does not work. We are not built for it and as much as we can cope with it. It's more expensive. It cuts down our volume, cuts down our people employed, it's just not good. I don't like it.

Senator Richard L. Russman, D. 19: Do you sell products in Massachusetts?

Wes Elmer: Yes I do

Senator Richard L. Russman, D. 19: So it does make some sense to be in Londonderry.

Wes Elmer: Well, it does make some sense to be in Londonderry because as you may know it's real important for us to be centrally located. We do lease, case miles, analysis, but.....

Senator Richard L. Russman, D. 19: that has something to do with where you cite you facility....

Wes Elmer: I do about eighteen percent of my business in Mass. So no, not really. My business is more in Massachusetts, Maine and Vermont and less in Massachusetts. I don't have much in Massachusetts.

Senator Richard L. Russman, D. 19: It still doesn't sound like it'd make a lot of sense to have your larger plant in Maine.

Wes Elmer: It would if I had forty percent of my business in Maine and twenty-five percent in Massachusetts. Yes sir.

Senator Clifton Below, D. 5: Do you have any data or are you suggesting that per capita bottle beverage consumption is actually lower in states that have bottle bills than do not?

Wes Elmer: Yes, I am suggesting that. Let me say it this way. Let me stick with what I know for sure. I know that the state of New Hampshire has a much higher per capita of softdrinks and beer I guess. The soft drinks that I know for sure because there is no bottle bill in the state.

Senator Richard L. Russman, D. 19: Thank you very much for your testimony.

Senator Carl R. Johnson, D. 3: I just have a quick question if I may, I serve on a local school board and it was our decision at budget time to put more money in the budget for the students to recycle and so it's going to cost us about eight thousand dollars more in our budget to make that happen. Is there any grant money out there that would address some of that?

Wes Elmer: Is that a high school or a college or....

Senator Carl R. Johnson, D. 3: It's a high school, and an elementary school.

Wes Elmer: I'd suggest that Margie could talk to you about it but that sounds like a lot to recycle especially if it's net of the recycled value but....

Senator Richard L. Russman, D. 19: Thanks very much for your testimony. The Chair recognizes Steve Blackledge from NewHampshire PIRG.

Steve Blackledge: Good afternoon. I am Steve Blackledge[Attachment C]. I am from New Hampshire Public Interest research group or New Hampshire PIRG which is a consumer and environmental advocacy group. We opened an office in Concord this past fall in September so we are fairly, obviously a fairly new organization but even though New Hampshire PIRG doesn't have a long history of working on the bottle bill, other PIRG's in other states certainly have, and other PIRG's in other states have worked to pass bottle bills and also defend them from attacks by the bottling industry. Consistent with this type of work, New Hampshire PIRG does support this legislation.

This bill is consistent with what other North Eastern states have done of the nine states that have bottle bills and none of them so far have repealed them. Six of them are in the northeast although I guess we probably know, maybe I should say five. I'm not sure if we count Delaware as northeast. I'm not sure where that exactly fits in but five to six of them are in the northeast and then Delaware is kind of in there too. Including each of our neighbor states which has already been discussed.

These things have proven effective and they've proven popular. They have reduced litter which obviously is very popular. They boost recycling which is important and personally I can just attest to myself that I grew up in Iowa. I've lived in Michigan and Connecticut and Massachusetts. Have experienced the bottle bill. I've experienced how it's easy to recycle and I've experienced the roadsides in New Hampshire where there are far more cans and bottles on the roadsides as I go out walking and hiking, and let me finally say that because of the work that not New Hampshire PIRG, but other PIRG's in other states have done, I'd be happy to assist this committee in digging up research that's been done in the past or information that's been collected in the past. It certainly sounds like Senator Below has collected some of it but I'd be happy to assist in the future if you guys should still want that. Thanks.

Senator Richard L. Russman, D. 19: Questions.

Senator Burton J. Cohen, D. 24: Do you have any information as to the recycling in the state of New Hampshire now. Is it level , going up, down?

Steve Blackledge: It is. Overall for all trash.

Senator Richard L. Russman, D. 19: We have people as a matter of fact I have DES to comment on that, that maybe we can call on them and get started on that...[inaudible].

Steve Blackledge: I can tell you quickly. It's roughly around, it's in the high twenties the overall recycling rates and if it going up it's going up very slowly.

Senator Richard L. Russman, D. 19: Further questions? Thanks very much for your testimony. The Chair would note that Joyce Roberts from Anheiser Bush is opposed to the bill but does not wish to speak. Carol Martel is opposed to the bill but does not wish to speak. Thank you for your testimony. Victor Hyman from Francestown.

Victor Hyman: I have something here that I'd like to go into the record. [Attachment D]. My name is Victor Hyman. I am the recycling coordinator, and the superintendent for thew City of Manchester. I have held that position for six years. The handout that I just gave you basically is a note from the City Clerks office that the Board of Merit Alderman in Manchester have discussed this New Hampshire returnable beverage container law and voted to oppose it as a city and they sent me to tell you why.

Basically the city of Manchester started an extensive curb side recycling program. It privatized curbside recycling program in 1995. We signed contract with Waste Management of Londonderry. The program is offered to thirty-six thousand [inaudible] in the city. It's for a young program it's very successful. We're proud of it. In addition we have all twenty-four of the city schools and all the city offices and buildings on the program.

When we put this recycling contract out to bid, the city made a discussion not to accept the market risk for the recycling materials. In other words, we didn't want them. The markets were so volatile then. The values of aluminum, plastics, paper, were not very stabile so, in the contract we specified that when our contractor picks up our recyclables at the curb, they own them. We don't have to take the market risk. That's good for the city of Manchester. It's also good in the sense that waste management 's bid price was based on the idea that they had a pretty good idea of what the volume of specific containers and the mix of containers would be and how much the market value of that material would be.

Right now, actually over the last fiscal year in Manchester, over seventy tons of aluminum garbage cans were collected on our curbside program. That represents a current market value of about seventy-thousand dollars. It doesn't represent it to the city. It represents it to our vendor and it's part of our contractual agreement. What we're afraid of is obviously if the aluminum cans specifically and the other containers are recovered by the bottle bill, if they should disappear from the waste screen, there is something in our contract that we have called the change in law provision. This would, in fact, be a change of environmental law in the city.

Under that provision, waste management would have the right to return to the negotiating table with the city and undoubtedly, because markets aren't

so good right now, would probably end up being a substantial or significant increase in cost to the City if Manchester to recycle.

The bottle bill affects different communities in different ways. I think Manchester as a community is kind of unique. Similar to some other programs in the state where there are curbside privatized programs. It costs the City of Manchester about three hundred and fifty thousand dollars a year to do this program. If Waste Management loses the revenue from this material, our cost will be offset by at least that much so thank you very much for listening.

Senator Richard L. Russman, D. 19: Questions? Thank you very much.

Senator Carl R. Johnson, D. 3: Can you recall how many debtors you have in the contract?

Victor Hyman: Three. Three main.

Senator Richard L. Russman, D. 19: Chair recognizes Wayne Bailey Town of Windham.

Wayne Bailey: Wayne Bailey town of Windham, New Hampshire. I am the town Solid Waste Manager so that all of the trash and recycling that goes through the municipal side of town goes through our facility. What I just handed out is a copy of this years annual report. It isn't necessarily completely relevant but there is some interesting background there that you may find interesting. I've got kind of a schizophrenic panel of notes here which I will go through recognizing that in a rush I may not be completely coherent so please ask a question if I am not. I looked and I am not really a financial wiz but I looked at numbers for the beginning. About twenty years ago the neighboring states put a five cent deposit on containers. That presumably was ...

.... TAPE CHANGE END OF SIDE TWO....

That five cents is worth about a penny and a quarter now. So my thought is that what has happened here? Maybe one of the reasons why they're looking at the possibility of discontinuing the bottle bill in Massachusetts is because five cents isn't really enough. Five cents if it doubled every couple years really should be about twenty cents by now. Every ten years. Rough and tough double. If we think about putting in a bottle bill at five cents the first thing that I think is we better do the numbers real close because I don't think it's enough. If it is, you ought to put some inflation in there and just write it

right in and say that in ten years it's going to be ten cents because it darn well ought to be.

Adopt a highway. I am the chairman of the Windham Lyons Club Adopt a Highway. We do it twice a year. The first time we did it, we picked up a hundred and sixty bags, between Klemms store at the corner and basically the center of town. The last time we did it this last fall we picked up thirty-five bags. I don't see any deposits being asked for cigarettes, lottery tickets, cigarette containers, the Koolada containers, the coffee cups, and God forbid we should even think about the nips. Paper... those foolish foil plastic bags that the chips are in and nobody's chasing the grocery bags out of trees. I'm sure you've never seen that . We also pick up a substantial amount of miscellaneous paper and catalytic converter shields and gas filler caps.

Why do you see beer containers on the road? I don't know any seventeen year old or for that matter any body with a couple of DWI's or anybody driving with a can of beer who wants to keep it in the car. You throw it out the window, you may get confused and get lucky and get a $268.00 ticket for littering but you may not lose your drivers license. My thought is do you think those people are going to stop throwing those containers out the window if you put a dollar onto the container.

Further along that line, when your buying stuff at the grocery store, look at the little pile of change in the corner. There's not just pennies there now, there's nickels and dimes. A penny or a nickel really doesn't mean much of anything. That may be an argument in your favor but it also means if it's litter, it's just going to go out the window.

O.k., we recycled 23.21 tons of aluminum last year. That meant an income of about twenty thousand dollars to the town of Windham. Ten years ago we invested the infrastructure and we invested in the people to do this job. If we are going to be declared redundant, then essentially, at least one thirty-five thousand dollar a year job is going to go down the drain so that will save us some. It may make a little noise with the municipal union but they wouldn't bother you guys.

The other side of the coin is well we're going to have to start handling all of this stuff so now instead of just putting all the PDT soda bottles in one spot, now I need to have that guy back and maybe another one and he is going to be sorting not just PET, but he's going to be sorting hard liquor bottles, we'll recycle those and we'll throw those in the bin with the peanut butter jars and the mayonnaise jars and the other PET stuff but we need a box for coke, we need a box for Pepsi, we need a box for all this other stuff and now our one brown bin all of a sudden becomes we need... oh, we're going to need four or five new loading docks just to store all of this stuff if we're going to keep it in place so basically we wont do it in place probably.

Is anybody interested in compensating us for the 1.3million dollars we spent for building the facility and remodeling it to accommodate a new

bottling bill, and do you think that nickel is going to be enough to pay for this modification.

The other thing is you talked about sugar. The only real thing your going to worry about dirty sugar and dirty stuff from the sugar is you'll get lots of yellow jackets and sooner or later you'd best just stock some atropine kits or whatever because you'll have some body get stung with an allergy sooner or later maybe. Thank you.

Senator Richard L. Russman, D. 19: Any questions. Joan LaPlante.

Joan LaPlante: Yes thank you Mr. Chairman. most of the things that I was going to say have been said. You do have my testimony [Attachment F]and I will just make one point and then I would like my time to be used by Kevin Dietly. Mr. Chairman, Members of the Committee, Joan LaPlante representing the New Hampshire Soft Drink Association. Just one point that I'll make is that in 1998 there was a bottle bill introduced in the House of Represenatives, and you may or may not know that that bill was defeated by a more than a two to one margin. The soft drink association is very much opposed to this legislation and we urge the committee to report it inexpedient to legislate.

Senator Richard L. Russman, D. 19: What year was that?

Joan LaPlante: 1998.

Senator Richard L. Russman, D. 19: Thank you for your testimony. The Chair would recognize Paul Marchand.

Paul Marchand: Paul Marchand I am from Rays State Line in Pelham New Hampshire, I also live in Pelham. I'm opposed. I own what you call a border store. We draw 70 percent of our clientele from Massachusetts. As a matter of fact. If I can, before I moved to New Hampshire, I owned a store in Malden Massachusetts and the year they passed the bottle bill... but before they implemented it, I hung up a shingle and sold it [inaudible], and I'm just as opposed now as I was way back then. If I could run a couple of numbers by you having to do with the profit on beer and cigarettes and the state take on those two items...

My store last year in 1999 sold 73,649 cases of beer. If you multiply it out by 68cents that the state tax is it's fifty thousand dollars that the state took in. We also sell two thousand cartons of cigarettes per week which is a hundred four thousand and at five dollars and twenty cents per carton, that's five hundred and forty thousand dollars a year on, five hundred and forty thousand eight hundred dollars in tax revenue to the state for a total of about close to 600,000.

Now I've assumed that if this passes, I'm going to lose at least half of my beverage sales. So, therefore, the State of New Hampshire will lose $25,000.00 there, and conservatively I think we'll lose twenty-five percent of our cigarette sales, which if you multiply it out is a $135,000.00 so there'll be a loss through my store in the pass through taxes of $160,000.00per year. I'm not the only store in Pelham. There are four others that do a comparable volume, and I believe there's about eighteen border stores, border towns, on the state of Massachusetts line. Some of them have Walmarts, much bigger stores than I do, much higher volume so... we're talking billions of dollars in lost revenue if my assumptions are correct.

We're a town of ten thousand people so obviously we 're not consuming three hundred thousand cases of beer for every man woman and child in the town, so it is truly coming form Massachusetts and we're talking about the economic impact here and I know this is the environmental committee and if I could just touch on that a little bit just my own personal experience.

The store in Lowell is where I grew up. It's four miles form where I presently am. I still belong to a parish there and we run a basketball league in the summer time, July and August. We go down there. We do a cleanup so we could get the use of the courts.. there's free basketball courts there. We clean it up before the season starts and after the first week all the coaches realize they better start bringing some trash bags with them so we can pick up all the bottles that are left over that are bought at seven eleven directly across the street, that are not returned... and actually we have had to stop a game because of the bees, and the point being, they are not returned. It hasn't solved the problem in Massachusetts. I'm in that area quite often. My parents still live there. I see it it just simply hasn't worked .

Senator Richard L. Russman, D. 19: Questions? Thanks very much for your testimony. I appreciate it. Chair recognizes Kevin Dietly.

Kevin Dietly: [Written Testimony Attachment G].

Senator Richard L. Russman, D. 19: Thanks very much for your testimony. The Chair notes that Katie Hornbarger I guess did not wish to speak but you're opposed the bill. Thank you very much... O.k., that completes my list...

John Tuthill: Thank you Mr. Chairman, Members of the Committee, for the record my name is John Tuthill, I represent Sullivan County District number five, four small towns all with populations under one thousand. I strongly support this legislation and I urge the Committee to move forward with it. I'm very impressed by the turnout we've had today for this event but I can tell you that up in our area, that there is very strong support for this bill from citizens who were engaged in litter cleanup programs, Bob LaGrange has been discussing it over the last couple of years. Theres been collecting

signatures there. Over the years they've been very effective in cleaning roadsides and getting the word out in the communities that this is something that they'd like to see passed. Also, I have a letter that I did not bring in today but I will get to the committee. The Conservation Commission in Lempster is voting unanimously to support this bill and I'll leave it at that.

Senator Richard L. Russman, D. 19: Questions?

Senator Carl R. Johnson, D. 3: Representative Tuthill , do you recycle in your home town?

John Tuthill: Yes we do.

Senator Carl R. Johnson, D. 3: What do you recycle?

John Tuthill: We recycle paper, cardboard, tin cans, beverage containers.

Senator Carl R. Johnson, D. 3: That has not been successful?

John Tuthill: Actually I was speaking with the recycling attendant at our transfer station in the town that I live in. He feels that it would be very good actually if we were not dealing with a lot of those materials that were coming in bulk as beverages. We do make some revenue on that but we feel that would be offset by savings at our facility. We are a small facility where people are bringing stuff in as opposed to a curbside.

Senator Richard L. Russman, D. 19: Thanks for your testimony. Any body else?

Senator Mark Fernald, D. 11: I have heard a number of opponents say that beverage containers are 15% or roughly 2.5%of the roadside litter and the people in this room who believe that please give me your cards and in the spring when the snow melts we'll go out and clean a roadside in Alstead, or Leominster, or Sharon or what have you and we'll count what we get in a mile and it's not going to be fifteen percent beverage containers but I'd love to have you come with me to do some roadside cleanup.

Senator Richard L. Russman, D. 19: I think every body talks about volume. In other words does a cigarette butt count as a piece of litter versus a can, versus this... weight is one thing you can do it by, volume is another you can do it by, piece is another so everybody ought to think about what they're picking up..... anyway, if that's it we'll close the hearing on SB411.

HEARING CLOSED

Respectfully Submitted,

Anna-Maria Tsorvas
Committee Secretary

Attachment A

WHY THIS BOTTLE BILL IS BAD FOR NEW HAMPSHIRE

Litter Issues	Recycling Issues
⇨ The materials affected by a bottle bill represent approximately 20% of the litter found on rural roadways, less on highways. (This is an average for states that have no other litter reduction programs.*) Bottle bills do nothing about the 80% represented by other litter.	⇨ A bottle bill will divert two of the most valuable commodities away from recycling programs. Aluminum cans and PETE bottles are currently worth $700 and $160 per ton respectively. This represents a revenue loss to NH communities **in excess of $1.3 million annually**.
⇨ Bottle bills use up the resources that might otherwise be available for more comprehensive programs. Proponents of container deposit legislation tend to believe that litter problems have been taken care of by a bottle bill even when much of the litter has not been addressed.	⇨ Vermont's bottle bill is estimated to cost consumers $520 per ton to recycle bottles and cans while Massachusetts' program costs approximately $320 per ton. The average curbside collection program costs less than $150 per ton.
⇨ Deposit containers attract children to dangerous roadsides. The Adopt-A-Highway program requires safety measures and prohibits children under 11 years old.	⇨ The sorting, storing and transporting of whole containers duplicates efforts that are already being accomplished in local recycling programs. The transportation of whole deposit containers back to distributors is a highly inefficient use of fuel and space.
⇨ The most cost effective litter reduction programs are those that incorporate media advertising and education ($.02 per item reduced). Container deposit legislation is the most expensive way to reduce litter ($4.68 per item reduced). Adopt-A-Highway ($.65) and DOT crews ($1.05) cost considerably less.*	⇨ Bottle bill containers represent less than 4.5% of the total waste stream by weight, are among the easiest for the public to recognize and are highly likely to included in recycling programs. They can also produce as much as 50% of the revenue realized by recycling programs.
⇨ Attaching a value to bottles and cans gives some people the idea that it is OK to throw them out since they will get picked up by poor people and kids.	⇨ Bottles and cans in a bottle bill system have a false value that makes them a security risk and encourages fraud.

*Source: Institute for Applied Research, Sacramento, CA

INSTITUTE FOR APPLIED RESEARCH

840 LA GOLETA WAY, SACRAMENTO , CA 95864 Phone (916)-482-3120

LITTER SURVEY REPORTS

Rep #	Name	Price	Pages	Prepared For
A01	The California Litter Problem (1973)	$12.50	50	California Legislature
A02	California Litter (1974-75 Survey)	$35.00	251	" "
A03	Comparative Study Of Roadside Litter (Sacramento,Portland,Seattle,Vanc. B.C..)	$10.00	10	Self Funded
A04	Litter Reduction Effectiveness Vol. I (6 Cities in Fla.,GA,N.C., 1977)	$12.50	53	(I) Continental Can Co.
A05	Litter Reduction Effectiveness Vol. II (Oregon Vs. Washington, 1977)	$20.00	106	(I) " " "
A07	A Baseline Survey of Hawaii Litter (1978)	$10.00	25	Hawaii Dept. Of Health
A08	Michigan Litter: Before (1978)	$15.00	78	Michigan Legislature
A09	Quebec Litter: 1978*	$12.50	47	(I) Metal Container Mfg. Council
A10	Hawaii Litter: After (1979)	$12.50	67	Kentucky Dept. Natural Resources
A12	Alameda Co. (Calif.) Litter:1979	$15.00	84	Alameda Co. Dept. Public Works
A13	Michigan Litter: After(1979)	$25.00	171	Michigan Legislature
A14	Kentucky Litter: 1980	$12.50	40	Kentucky Dept. Natural Resource
A15	Nebraska Litter: 1980	$17.50	90	Nebraska Dept. Envir. Control
A16	Hawaii Litter: 1981	$17.50	91	Hawaii Dept. Of Health
A17	Effect of Rainy Weather On Litter Rates	$10.00	24	Self Funded
A18	Effect of Temperature on Litter Rates	$ 5.00	10	Self Funded
A19	Alaska Litter: 1981	$20.00	108	Alaska Dept. Envir. Conservation
A20	Alaska Litter: 1982	$10.00	16	Alaska Dept. Envir. Conservation
A21	Nebraska litter: 1982	$12.50	52	Nebraska Dept. Envir. Control
A22	Washington Litter: 1982	$20.00	127	Washington Dept. Of Ecology
A23	Alaska Litter:1983	$12.50	52	Nebraska Dept. Envir. Control
A24	Washington Litter: 1983	$12.50	53	Washington Dept. Of Ecology
A25	New York Litter: 1984 (Incl. A26 Pennsylvania)	$10.00	36	N.Y. Comm. On Ret. Bevg. Containers
A27	Hawaii Litter: 1985	$10.00	32	Hawaii Dept. Of Health
A28	California Litter: 1985	$15.00	65	Calif.. Waste Management Board
A29	Washington Litter: 1985	$12.50	55	Washington Dept. Of Ecology
A31	Nebraska Litter: 1985	$12.50	53	Nebraska Dept. Envir. Control
A32	California Litter: 1986	$10.00	30	Calif.. Waste Management Board
A33	Texas Litter: 1985-1986	$12.50	39	Texas Dept. Of Highways
A34	Oregon Litter: 1986	$10.00	29	(I) Assoc. Of Wine Cooler Distributors
A35	Texas Litter :1987 (Part I, April)	$12.50	39	Texas Dept. Of Highways
A36	Texas Litter: 1987 (Part 2,July)	$10.00	29	Texas Dept. Of Highways
A37	Washington Litter: 1987	$12.50	37	Washington Dept. Of Ecology
A38	Hawaii Litter: 1988	$10.00	23	Hawaii Dept. Of Health
A39	Texas Litter: 1988	$10.00	33	Texas Dept. Of Highways
A40	California Litter: One Year After (1988)	$12.50	52	Calif.. Dept. Of Conservation
A41	Texas Litter: 1989	$10.00	23	Texas Dept. Of Highways
A42	Florida Litter: 1989	$15.00	64	The Clean Florida Commission
A43	Louisiana Litter: 1990	$12.50	44	Louisiana Dept. Of Environ. Quality
A44	Minnesota Litter: 1990	$12.50	45	Minnesota Dept. Of Transportation
A45	Alberta Litter: 1990	$12.50	51	(P) Alberta Ministry Of Environ. & Tetrapak
A46	Texas Litter: 1990	$10.00	22	Texas Dept. Of Highways
A47	Washington Litter: 1990	$12.50	35	Washington Dept. Of Ecology
A48	Texas Litter: 1991	$12.50	31	Texas Dept. Of Highways
A49	Hawaii Litter: 1993	$12.50	16	Hawaii Dept. Of Health
A50	Understanding Litter In Pennsylvania (1999)	In Prep	---	Pennsylvania Dept Of Transportation

Notes: Only 4 of the 50 Surveys or Studies listed were done for Industry Clients. These are identified by the Symbol (i) preceding the name of the client. In one additional case (A45) the survey was paid for jointly by the Alberta Ministry of Environment and Tetrapak, Inc.

NEW The Beautiful HAMPSHIRE Inc.

Encouraging Roadside Litter Clean Up and Municipal Recycling Programs in New Hampshire Since 1983.

Municipal Recycling

New Hampshire's municipal recycling programs address a broad range of materials and a wide variety of collection, processing, and marketing methods. Over the years, New Hampshire the Beautiful, Inc. has worked to support these municipal programs while recognizing and respecting the individuality of each.



Since establishing our recycling grants program, we have awarded more than $600,000 in recycling equipment grants to over 180 New Hampshire communities. Grants are awarded only after careful consideration has been given to the need for the equipment, the immediate effects in the community, and long term impact on recycling in the state. In addition to the equipment grants, we have also given hundreds of professionally made signs to New Hampshire's recycling and solid waste facilities over the years. The signs provide a professional look to facilities and encourage users to participate properly in their towns' programs.

New Hampshire the Beautiful, Inc. is proud to have played a part in the growth of healthy recycling programs throughout the state. Grant applications are available through our office and all new requests are considered on a regular schedule by the full board of directors.

Litter Abatement

In addition to recycling assistance, New Hampshire the Beautiful, Inc. also works with towns, cities, community groups, and state agencies on litter abatement programs. We provide the blue bags used by the New Hampshire Department of Transportation's highway cleanup crews and Adopt-A-Highway programs at no cost to the taxpayer or to the groups doing the cleanup.

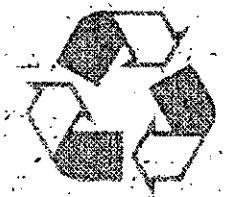
Who We Are

New Hampshire the Beautiful, Inc. is a non-profit, 501(c)(3) Charitable Trust. Our funding has been solely through voluntary contributions from retail grocers and the soft drink and malt beverage distributors of New Hampshire.

Originally organized in 1983 as a practical alternative to a "bottle bill", New Hampshire the Beautiful, Inc.'s programs serve to promote efficient recycling of *all* materials.

While encouraging and increasing recycling and litter clean up are the main goals of both container deposit legislation and this organization, some notable advantages to New Hampshire's system include:

- Valuable aluminum cans stay in municipal recycling programs, helping to offset the cost of recycling other materials.
- Our programs address a wide range of recyclable materials in addition to beverage containers.
- Recyclable materials are collected and compacted locally, avoiding the inefficient transport of light-weight loads of loose materials over our highways.
- Our litter control programs address *all* litter and not just that which has a deposit associated with it.



OUR PROGRAMS

New Hampshire the Beautiful, Inc., a private, non-profit organization, has been been helping New Hampshire's towns, cities, and solid waste districts develop healthy recycling programs since 1983. Our recycling initiatives include a matching grants program for the purchase of recycling equipment, the provision of professionally-made signs for local recycling centers, and the publication of a bimonthly marketing bulletin, *The Blue Sheet*, for those interested in selling recycled materials.

In addition to our recycling programs, New Hampshire the Beautiful, Inc. also works with community and state litter clean-up programs including:

- ***Adopt-A-Highway***
- ***Adopt-A-Block***
- ***Earth Day Projects***
- ***Seacoast Cleanup Days***
- ***Special Projects***

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Attachment B

Hannaford Bros. Co.

Comments on Proposed New Hampshire
Returnable Beverage Container Law

Hannaford Bros. Co. views returnable beverage container laws as unnecessary in today's environment. The recovery of recyclable materials has become commonplace in every community, largely through voluntary efforts. The forcing of returnable containers on retailers through bottle bill legislation is counterproductive, duplicative and extremely costly to communities and consumers.

Existing bottle bills, put in place during years when formal community recycling programs were in early development, have fragmented municipal recycling programs and have not solved roadside litter issues. Although bottle bills may be perceived as solutions in the short term, they ultimately result in significantly added cost to the consumer and are inequitable, placing unreasonable demands on the business community.

If the intent of returnable beverage container legislation is to reduce roadside litter, we believe there is a better solution. Education is the key. Through education of our public and broad-based support of the business and municipal community, consumers will actively support local voluntary recycling programs and help reduce litter.

Hannaford employees have demonstrated a high commitment to recycling in every community. Through its award-winning programs, Hannaford recycles over 60 percent of all waste generated in its supermarkets, and as much as 85 percent in its distribution centers. Since 1990, thousands of Hannaford employees in every community turn out to annually clean up roadsides of litter. Our voluntary roadside "Clean It Up" crews readily admit that there is always a lot of litter from fast-food sources and many other generators as well. There is little difference in the "litter mix" between bottle bill states and states without bottle bills. For Hannaford employees, education is a key difference. The recovery of recyclable materials is part of our culture. Through years of raised awareness and recognition for outstanding support of recycling initiatives in every community, our people have achieved notable results.

Hannaford would encourage the State of New Hampshire to build upon its enviable record to practice voluntary recycling in every community, rely on market forces to raise recycling rates, and encourage a competitive spirit through aggressive education programs at every level.

Ted Brown
Hannaford Bros. Co.
145 Pleasant Hill Road
Scarborough, Maine 04074
Tel. 207-885-2488

Attachment C

NHPIRG
New Hampshire Public Interest Research Group

80½ N. Main Street, Suite 204
Concord, NH 03301
(603) 229-3222
www.pirg.org/nhpirg

Senator Rick Russman, Chair
Members of the Senate Environment Committee
LOB 104
Concord, NH 03301

RE: BOTTLE DEPOSIT LEGISLATION (SB411)

February 10, 2000

Dear Committee Members:

New Hampshire Public Interest Research Group (NHPIRG) is a consumer and environmental advocacy organization with members throughout the state. We opened an office in Concord this past September.

While NHPIRG does not have a long history working on the bottle bill, other PIRGs in other states have been instrumental in passing bottle bills and defending the popular measures from attacks by the bottling industry. Consistent with their work, NHPIRG supports this committee's effort to pass a bottle bill.

Such a measure would be consistent with policies of other northeastern states. Of the nine states with bottle bills, six are in the Northeast (if Delaware counts), including each of our neighbor states.

Bottle bills have proven effective in other states. They dramatically reduce litter and boost recycling. Personally I can attest to the success of the bottle bill. After having lived in Iowa, Michigan, Connecticut and Massachusetts, I can attest to the increased litter on New Hampshire roadsides.

Finally, let me add that NHPIRG would be happy to assist this committee in digging up research that has already been conducted on this issue. Information is out there, and while I do not have it at my fingertips, I would be happy to help obtain it.

Sincerely,

Steve Blackledge
Program Director

printed on recycled paper

Attachment D

CITY OF MANCHESTER
Office of the City Clerk

Leo R. Bernier
City Clerk

Carol A. Johnson
Deputy City Clerk

Paula L-Kang
Deputy Clerk
Administrative Services

September 9, 2000

State of New Hampshire
Senate Environmental Committee
Legislative Office Building
107 Main Street
Concord, NH 03301

RE: SB411-FN
"Establishing the NH Returnable Beverage Container Law"

Please be advised that in action taken by the Board of Mayor and Aldermen at a meeting held on February 2, 2000, it was unanimously voted that the City oppose the above-referenced bill as it would dramatically increase the cost of recycling within the City of Manchester.

Your consideration of Mr. Victor Hyman's testimony at the hearing will be greatly appreciated.

Sincerely,

Leo R. Bernier
City Clerk

Attachment E

RECYCLING/TRANSFER STATION

The year 1999 was a year for change in the solid waste industry. There has been a great deal of consolidation in the waste side of the business. There are only two large companies controlling the private disposal facilities in the state. One is primarily in the northern region, the other in the southern. The decreasing number of disposal options and the increases in regional trash volume have combined to cause our trash disposal cost to go from $48.50 to $55.00 per ton effective August of 2000. Our cost has been in the mid $40.00 per ton range for the past six years.

The world economy continues to affect our income. The recyclable materials that we separate are commodities in that market. Some of the products that were revenue generators are now generating modest expenses. Recycling still makes economic sense, due to the relativly high cost of trash disposal at the incinerator. Our deposited income was $71,589.74, up from $62,523.89 in 1998. Cardboard prices fluctuate in the $40 to $90 per ton range. Plastic prices seem stable, with soda bottles selling at just under $100 per ton, and milk/detergent bottles selling at $120 to $380 per ton. Aluminum cans remain our top income producer at about $800 per ton.

The Town of Windham is a member of the Northeast Resource Recovery Association, a non-profit marketing cooperative. They market many of our commodities, acting as our broker. This association allows us to ship smaller quantities where full trailer loads are normally required.

We ship the municipal solid waste to the Penacook, NH waste to energy plant where it is incinerated, producing electricity as a by-product. This was the fourth year of our five-year contract. We have negotiated a three-year extension to our agreement.

The Town of Windham is a member of the Nashua Regional Solid Waste District. Our affiliation allows our residents to transport hazardous waste to the collections held in Nashua. The collections are held at the Nashua Public Works Garage on the first Saturday morning of each month from April through November, with the exception of July.

The Recycling/Transfer Station processed and shipped a total of 5,740.79 tons (almost 11 ½ million pounds!) in 1999, up 128 tons or about 3% from 1998. The average New Hampshire residence disposes of 1.69 tons per year. Assuming that all 3,630 residences used the facility, the average Windham residence disposed of 1.58 tons (3,160 pounds). However, some residents do not use the facility, so the actual weight per residence is higher. The average homeowner in Windham pays $36.00 per month for cable television, and $9.63 per month for waste disposal.

RECYCLING PERFORMANCE

Municipal Solid Waste to Incinerator*	3,108.26
Recycled Materials Processed for Further Use	2,632.53

Total Product Shipped* = 5,740.79 **Total Percentage Recycled = 45.86%**

*(includes tonnage shipped to Penacook)

National Average - 27% **New Hampshire Average - 27%**

The total (waste and recycled materials) is 2.68 pounds per resident, per day. The national average is 4.3 pounds per person, per day. The New Hampshire average is 2.95 pounds, per person, per day.

RECYCLING DETAIL

Aluminum Beverage Cans	23.21
Auto (lead-acid) Batteries	7.48
Brown glass	64.57
Clothes (to Lazarus House charity)	67.11
Compost (grass, leaves, and pine needles)	97.23
Electronics	16.42
Eye Glasses	0.12
Clear Glass	107.27
Green Glass	89.05
HDPE #2 Bottles/Jugs (milk, detergent, shampoo, etc.)	48.78
Mixed Paper (newspaper, junk mail, paperboard, etc.)	772.24
Corrugated Cardboard	207.51
Motor Oil	18.71
Oil Filters	1.38
PETE #1 Plastic (soda bottles, mouthwash, juice jugs, etc.)	23.84
Scrap Aluminum (gas grilles, pots, pans, etc.)	12.10
Scrap Steel	263.40
Tin Cans (empty paint cans, aerosols, etc.)	49.92
Other Metal	3.04
Demolition Sent for Processing and Recycling	734.74
Tires	24.30
Total	**2,632.53**

RECYCLING BENEFIT

Actual Income Deposited	$ 71,589.74
Avoided Cost (Estimated savings @ $61.50) 1,763 tons	108,424.50
Total Benefit:	**$ 180,014.24**

PAST RECYCLING PERFORMANCE

The recycling performance rate is a ratio of the weight of the recyclables to the total of trash and recyclables. These rates have fallen over last year, and are likely to continue to fall for a number of reasons. Relatively heavy glass containers are being replaced with lighter glass, and much lighter plastic containers. It takes an average of seven plastic containers to weigh as much as the glass container that was replaced. In addition, there are currently 33 aluminum beverage cans per pound, whereas ten years ago there were approximately 22 per pound.

Year	% Recycled	Year	% Recycled
1989	12.99	1995	44.50
1990	24.59	1996	44.70
1991	38.00	1997	44.82
1992	40.41	1998	47.00
1993	27.33		
1994	36.51	**1999**	**45.86**

Respectfully submitted,

Wayne F. Bailey
Transfer Station Manager

Attachment F

Testimony
of
Joan R. LaPlante Executive Director
New Hampshire Soft Drink Association
Before
The Senate Environment Committee
Room 104, Legislative Office Building
Concord, NH

February 10, 2000
1:00 p.m.

SB 411 - establishing the NH returnable beverage container law.

Mr. Chairman and Members of the Committee, my name is Joan LaPlante. I am Executive Director of the New Hampshire Soft Drink Association.

We are here today to register our strong opposition to SB 411 - establishing the NH returnable beverage container law.

Bottle bills are no longer popular issues.

No deposit legislation has passed in the United States since 1982.

Even the **New Hampshire Legislature** showed its overwhelming opposition when it **defeated deposit legislation by more than a two to one margin in 1998.**

Industry has always responded to environmental concerns:

Its packaging has "lost weight" over the years and packaging has been **geared toward recyclable materials**. Recyclables such as aluminum cans generate revenues for cities and towns. Likewise youth and civic groups collect this commodity for funding their programs.

Neighboring bottle bill states would be happy to see New Hampshire pass deposit legislation.

When their bottle bills passed, many consumers crossed over the border to buy less expensive product. Those cross border sales continue today.

New Hampshire would lose revenues from many taxes including Business Profits Tax, Business Enterprise Tax, Cigarette Tax, and Beer Taxes.

With education funding still to be dealt with, this is no time to pass legislation which will adversely impact our revenue stream.

Deposit legislation will impact community recycling programs.

Others testifying today will detail the impact of a bottle bill on community recycling programs, lost local revenues and higher disposal costs.

Let's focus on the positives already happening without a bottle bill:

In 1983, without legislation and without state money, industry joined forces to create one of the nation's most aggressive and successful organizations – New Hampshire The Beautiful.

Voluntarily funded and directed by New Hampshire Soft Drink Companies, Grocers and Beer Distributors, this non-profit organization has provided matching grant monies to communities to startup or enhance existing recycling programs. NHTB has worked with youth groups and others to clean up New Hampshire's roadsides. Through the guidance of its untiring Executive Director Marghie Seymour, a real difference has been made for the good of New Hampshire.

In addition, this legislature passed the "Adopt-a-Highway" program.

This program allows groups or individuals to be responsible for cleaning up portions of New Hampshire's highways.

New Hampshire does not need SB 411 which will unravel successful programs and cost consumers, communities and the state money.

Your vote to defeat SB 411 will be sincerely appreciated.

Contact: Joan R. LaPlante
NH Soft Drink Association
4 Park Street
Concord, NH 03302

(603) 225-7835

Attachment G

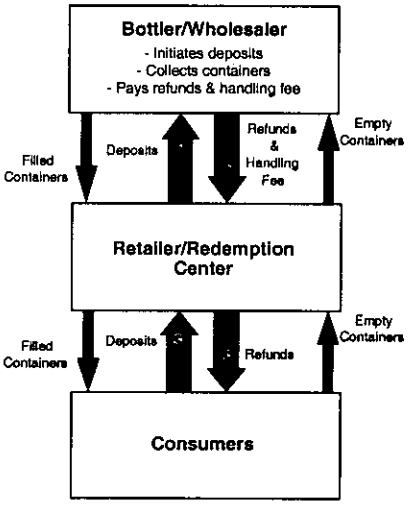
Testimony of
Kevin S. Dietly, Principal
Northbridge Environmental Management Consultants
regarding

Senate Bill 411

on behalf of the
New Hampshire Soft Drink Association
February 10, 2000

Bill Summary

- 5¢ deposit on
  - Beer and soda + noncarbonated, nonalcoholic beverages except dairy
  - Glass, metal, and plastic containers >8 oz. and <1 liter
- 3¢ handling fee



Negative Impacts on Communities and Existing Recyclers

- Program would pull container materials out of existing recycling programs
- Lose $3 million per year in material value (mostly aluminum) with little or no off-setting cost savings
- Divert attention from or force elimination of comprehensive programs

Insignificant Environmental Benefits

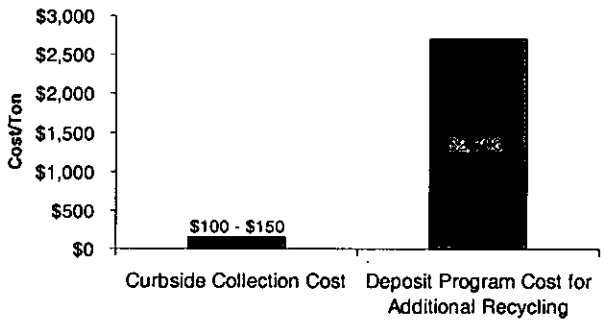
- Recycling
  - Small increase in recycling rates for deposit containers; possible loss for other containers
  - Net increase in recycling rate <1%
- Litter
  - Beverage container litter is a small fraction of overall litter -- 2.5% in states with "mature" litter programs
  - Deposits don't address the remaining litter

Significant Economic Impact

- New, higher cost system for material that is already being recycled
- Deposit systems require expensive counting, sorting, handling, and transportation of empty containers.
  - Retail/redemption labor costs, space
  - Distributor labor, equipment, space
  - Contrast with dropoff and curbside

Economic Impact (2)

- Cost to recycle small amount of "new" material is extremely high



Economic Impact (3)

- Deposits are also a costly litter control method -- 12 times more expensive than comprehensive programs
- Lose economic benefit of not having deposits in border towns
  - Cross-border shopping boosts jobs, excise taxes, income levels
  - Neighboring state merchants would gain back losses

Summary

- Taxpayer-funded recycling programs would lose income ($3 million/year) and participants
- Litter reduction and recycling improvements would be insignificant
- Economic impacts on consumers and business are substantial: high cost system, loss of border "windfall"

Speakers

COMMITTEE HEARING ON SB 411

Date: 2/10 Place: SENATE ENVIRONMENT

NAME: KEVIN DIETLY

Business Address: 319 LITTLETON RD.

City: WESTFORD, MA Phone: 978-392-9665

REPRESENTING: NH SOFT DRINK ASS'N.

WISH TO SPEAK: YES ✓ NO ___ Time Needed: 5-10 mins.

Supporting Bill: ___ Opposing Bill: ✓

PLEASE LEAVE COPY OF ANY PREPARED STATEMENT
WITH COMMITTEE CLERK

COMMITTEE HEARING ON SB 411

Date: 2/10/00 Place: SENATE ENVIR.

NAME: WES ELMER

Business Address: ONE EXEC. PARK DR.

City: BEDFORD Phone: 603-629-7871

REPRESENTING: COCA-COLA BTLG. OF NO. NEW ENG.

WISH TO SPEAK: YES X NO ___ Time Needed: 5-10 MIN.

Supporting Bill: ___ Opposing Bill: X

PLEASE LEAVE COPY OF ANY PREPARED STATEMENT
WITH COMMITTEE CLERK

COMMITTEE HEARING ON SB 411 FN

Date: 2/10/00 Place: ENVIRONMENT

NAME: WAYNE BAILEY

Business Address: ___

City: WINDHAM Phone: 235-4631

REPRESENTING: TOWN OF WINDHAM

WISH TO SPEAK: YES X NO ___ Time Needed: 4 min

Supporting Bill: ___ Opposing Bill: ???

PLEASE LEAVE COPY OF ANY PREPARED STATEMENT
WITH COMMITTEE CLERK

COMMITTEE HEARING ON SB # 411

Date: 2/10 Place: LOB 104

NAME: CLARK CORSON

Business Address: 120 PERKINS RD.

City: MADBURY NH Phone: 750-0494

REPRESENTING: N.H. Wholesale Bev. Assn

WISH TO SPEAK: YES ✓ NO ___ Time Needed: 2 mins

Supporting Bill: ___ Opposing Bill: ✓

PLEASE LEAVE COPY OF ANY PREPARED STATEMENT
WITH COMMITTEE CLERK

COMMITTEE HEARING ON SB 411

Date: 2/10/00 Place: ___

NAME: Michael McGinn

Business Address: ~~Pres~~ 459 E. Industrial Pk Dr 03108

City: Manchester Phone: 627-7677

REPRESENTING: NH Beer Dist

WISH TO SPEAK: YES ✓ NO ___ Time Needed: 2 min.

Supporting Bill: ___ Opposing Bill: ✓

PLEASE LEAVE COPY OF ANY PREPARED STATEMENT
WITH COMMITTEE CLERK

COMMITTEE HEARING ON ~~SB~~ SB 411

Date: 2/10/00 Place: SEN. ENVIRONMENT

NAME: John Dumais

Business Address: 110 Stark Street

City: Manchester Phone: 669-9333

REPRESENTING: NH Grocers Association

WISH TO SPEAK: YES X NO ___ Time Needed: 2 min

Supporting Bill: ___ Opposing Bill: X

PLEASE LEAVE COPY OF ANY PREPARED STATEMENT
WITH COMMITTEE CLERK

COMMITTEE HEARING ON SB 411

Date: 2-10-00 Place: Senate Environment

NAME: Paul R. Marchand

Business Address: 4 Mammoth Rd

City: Pelham Phone: 6357625

REPRESENTING: Ray's Stateline Mkt, INC

WISH TO SPEAK: YES ✓ NO ___ Time Needed: 2-4 min

Supporting Bill: ___ Opposing Bill: ✓

PLEASE LEAVE COPY OF ANY PREPARED STATEMENT
WITH COMMITTEE CLERK

COMMITTEE HEARING ON SB 411

Date: 2/10/00 Place: S. Env.

NAME: Joan LaPlante

Business Address: 4 Park ST.

City: Concord Phone: 225-7835

REPRESENTING: NH Soft Drink Assoc

WISH TO SPEAK: YES X NO ___ Time Needed: 5 min

Supporting Bill: ___ Opposing Bill: X

PLEASE LEAVE COPY OF ANY PREPARED STATEMENT
WITH COMMITTEE CLERK

COMMITTEE HEARING ON 411. FN

Date: 2/10/00 Place: LOB 104

NAME: Peter Egekian

Business Address: 50 Market St.

City: Portsmouth Phone: (603) 436-4026

REPRESENTING: Smuttynose Brewing / Portsmouth Brewery

WISH TO SPEAK: YES X NO ___ Time Needed: 3 min

Supporting Bill: ___ Opposing Bill: X

PLEASE LEAVE COPY OF ANY PREPARED STATEMENT
WITH COMMITTEE CLERK

COMMITTEE HEARING ON Container Deposit Bill

Date: 02/10/00 Place: Environment

NAME: Marghie Seymour

Business Address: 95 B Main Street

City: Littleton, NH Phone: 603/444-9812

REPRESENTING: New Hampshire the Beautiful

WISH TO SPEAK: YES X NO ___ Time Needed: 8-9 minutes

Supporting Bill: ___ Opposing Bill: X

PLEASE LEAVE COPY OF ANY PREPARED STATEMENT WITH COMMITTEE CLERK

COMMITTEE HEARING ON SB-111

Date: 02/10/00 Place: LOB

NAME: VICTOR) G. HYMAN

Business Address: Hwy. Dept, 227 Maple St 03103

City: Manchester Phone: 624-6444, X323

REPRESENTING: City of Manchester

WISH TO SPEAK: YES ✓ NO ___ Time Needed: 3&4 minutes

Supporting Bill: ___ Opposing Bill: ✓

PLEASE LEAVE COPY OF ANY PREPARED STATEMENT WITH COMMITTEE CLERK

COMMITTEE HEARING ON SB 441-FN

Date: 10 FEB 2000 Place: LOB 104

NAME: DANIEL ADAMS EATON

Business Address: 1 SHERMAN HILL ROAD

City: STODDARD Phone: 446-3535

REPRESENTING: EATON'S GENERAL STORE

WISH TO SPEAK: YES ___ NO ~~don't~~ Time Needed: 2 min

Supporting Bill: ___ Opposing Bill: ✓

PLEASE LEAVE COPY OF ANY PREPARED STATEMENT WITH COMMITTEE CLERK

Date 2/10/2000 Time 1:00pm

SENATE Environment COMMITTEE

PUBLIC HEARING
ON SB 411

APPEARING IN FAVOR: (Please Print)

CHECK IF YOU WISH TO SPEAK	NAME	ADDRESS	REPRESENTING
☐	Marjory Shepard	54 Portsmouth St Conc	NH Assn of Conservation Commissions
☑	Steve Blackledge	80 N. main St, #201, Conc	NHPIRG
☐			
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APPEARING IN OPPOSITION: (Please Print)

CHECK IF YOU WISH TO SPEAK	NAME	ADDRESS	REPRESENTING
☒	John Dumais	Manchester	NH Grocers Assoc.
☐	David Walker	Portsmouth, NH	Pepsi-Cola Co.
☐	Tom Cullity	Tewksbury, MA.	Pepsi-Cola Co.
☒	~~[illegible]~~	Bedford, N.H.	Coca-Cola.
☐	Wes Elmer	NE Convenience Stores Assoc.	-Concord NH
☐	Bruce Berke	NH Lodging & Restaurant Assoc	Concord NH
☒	Henry Veilleux	Portsmouth NH	Smuttynose Brewing / Portsmouth Brewery
☐	Peter Eggleston		
☐	Curtis J Barry / Concord	— Retail Merchants Assoc. of NH & Distilled Spirits Council of the U.S.	
☐	Carol Martel	One Beacon St Suite 1320 Boston 02108	Wine Institute
☐	George B Roberts, Jr	4 Park St, Concord.	Anheuser-Busch

Date 2/10/2000 Time 1:00pm

SENATE Environment COMMITTEE

PUBLIC HEARING
ON SB 411

APPEARING IN FAVOR: (Please Print)

CHECK IF YOU WISH TO SPEAK	NAME	ADDRESS	REPRESENTING
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APPEARING IN OPPOSITION: (Please Print)

CHECK IF YOU WISH TO SPEAK	NAME	ADDRESS	REPRESENTING
☒	CLARK CORSON	MADBURY	BEER WHLS
☒	Michael McGinn	Windham	"
☒	Marghie Seymour	Littleton	NH the Beautiful
☒	Victor G. Hyman	FRANCESTOWN	City of Manchester
☐	R.B. Pearl	Bow	SELF
☒	Wayne Bacon	Windham	Town of Windham
☒	Joan LaPlante	Concord	NA Soft Drink Assoc
☒	Paul Marchand	Pelham	Rays STATELINE PKT
☒	Kevin Dietly	Westford, MA	NH Soft Drink + Nat'l. Soft Drink
Neutral	PHIL OBRIEN	NHDES - HAZEN DR	NHDES

← OVER →

Wish to Speak? ☐

Appearing in Opposition

Katie Hornberger 105 Laurel St. #B7, Lee, MA 01238 GMA

Testimony

ASNH

urgent

facsimile

To:	**Senator Richard Russman**
Fax Number:	271-3027

From:	**Julian Zelazny**
Fax Number:	603.279.3470
Business Phone:	224-9909
Home Phone:	279-3470

Pages:	2
Date/Time:	2/10/00 12:28:56 PM
Subject:	SB 411

Dear Senator Russman

Please accept this fax as ASNH testimony in favor of SB411 and enter it into the record for the bill

Thank you

Julian Zelazny

AUDUBON SOCIETY OF NEW HAMPSHIRE

3 Silk Farm Road, Concord, N.H. 03301
603.224.9909 fax: 603.227.0501

February 10, 2000

Hon. Richard Russman
Chairman
Senate Environment Committee
New Hampshire Senate

Dear Chairman Russman:

SB 411 - An Act Establishing the New Hampshire Returnable Beverage Container Law

Please accept this letter in support of SB 411, an act establishing the New Hampshire returnable beverage container law. I regret that I am unable to present this to you in person.

Audubon Society of New Hampshire strongly supports SB 411. We believe that all efforts to clean up our environment and encourage the reuse and recycling of products and packaging is a positive step for people and for wildlife. Conservation minded measures like returnable container laws help form the mosaic of progressive infrastructure that will eventually lead to the maximization of efficiency while reducing harm to the environment.

While some may be concerned that passage of SB 411 would lead to negative impacts on existing bottle and can recycling efforts, we are confident that the bill or administrative rules could be structured to assure that the returnable container law works harmoniously with local recycling programs.

We urge you and your learned committee to vote **ought to pass on SB 411**.

Sincerely,

Julian Zelazny
Environmental Policy Director

State of New Hampshire
DEPARTMENT OF ENVIRONMENTAL SERVICES
6 Hazen Drive, P.O. Box 95, Concord, NH 03302-0095
(603) 271-2900 FAX (603) 271-2456

February 10, 2000

Senator Richard L. Russman, Chair
Senate Environment Committee
Legislative Office Building, Room 102
Concord, NH 03301

Subject: SB 411, Establishing the New Hampshire Returnable Beverage Container Law

Dear Senator Russman and Members of the Committee,

Thank you for the opportunity to comment on SB 411, which seeks to establish a returnable beverage container law for New Hampshire. The bill proposes that the redemption of containers serve as a mechanism to discourage litter and support recycling activities within the state. The implementation of the law will be conducted through the Department of Agriculture and the focus of collection efforts will be on containers, of eight ounces to one liter in size. Under this system, the consumer places a deposit of $.05 on a refundable beverage container at the time of purchase and then returns the container for the same amount at a redemption center. The collected material is then sent for recycling or reuse activities.

As you know from prior DES presentations on this issue, eleven states have container redemption laws, which have increased overall recycling rates by about two percentage points with capture rates of 85-90% for containers. National estimates suggest that current capture rates in New Hampshire are between 20-30%, depending upon the type of container and the efficiency of the collection program. The Tellus Institute, a Boston-based non-profit research and consulting organization, has completed the most comprehensive study done to date on bottle bills (1995), and provides information based on litter collections on the roadsides, and in public parks, and beaches, albeit based on heterogeneous data. Beverage containers represent up to about 10-20% of litter waste by weight, and 40-60% of litter waste by volume. The study suggests that a bottle bill would eliminate 80% of the beverage containers along roadsides and at parks, and 50% of the containers left at beaches.

Experience elsewhere seems to suggest that a bottle bill will produce environmental benefits such as litter reduction and improved recycling effectiveness. What is less apparent is the effect the bill will have on municipal revenues particularly as it affects aluminum cans which, because of their higher value, help to support the recycling of other less valuable materials. We have attached some historical data on the average price of selected recyclables to illustrate the higher value of aluminum and to provide a sense of price volatility by commodity. While the bill would likely increase recycling by two percentage points statewide, we don't know what the actual fiscal effect will be and who it will favor. The answer depends upon the aggressiveness of town

recycling programs, use or not of curbside recycling, and the degree of consumer convenience achieved.

There are two provisions in the bill that raise additional concerns. First, the bill does not establish a specific fund for the deposits, which could be problematic in the deposit redemption process because the refunds would have to come from the general fund. Further, SB 411 would establish a deposit on glass, aluminum, metal or plastic beverage containers of a volume capacity of 8 ounces to one liter only; because this size limitation is different from most bottle bills, this may lead to confusion on the part of retailers and the consumers.

Two years ago, DES staff and a delegation of NH legislators conducted a tour of businesses in the State of Maine that were impacted by their state's bottle bill. Supermarkets were concerned with the imposition of the law on storage and health issues, whereas redemption centers which developed as a result of legislation, and smaller food stores claimed to benefit from increased sales as a result of visits for returns. As with all recycling, a key factor in the success of returnable beverage container laws is the convenience afforded to users of the system.

Thank you for the opportunity to comment on SB 411. Please contact me or Philip J. O'Brien, Ph.D., Director of the Waste Management Division, at 271-2905 if you have questions regarding our testimony or need additional information.

Sincerely,

Robert W. Varney
Commissioner

Attachment
cc: Senator Mark D. Fernald

State of New Hampshire
DEPARTMENT OF ENVIRONMENTAL SERVICES
6 Hazen Drive, P.O. Box 95, Concord, NH 03302-0095
(603) 271-2900 FAX (603) 271-2456

Average Price Per Ton of Recycling Commodities
In the New York Area Market, January, 2000

Commodity	Average $ Price/Ton
Aluminum	720
Natural HDPE	300
News #8	62
Landfill tipping fee	44
Corrugated Containers	40
Flint Glass	28
Steel Cans	25
Amber Glass	23
PET	9
Combination HDPE	7
Green Glass	0

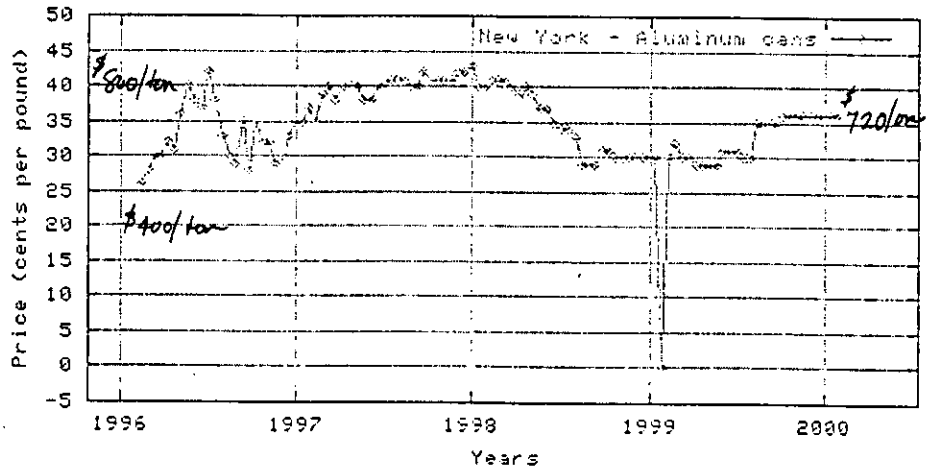
Source: Data from Waste News, January 17, 2000

State of New Hampshire
DEPARTMENT OF ENVIRONMENTAL SERVICES
6 Hazen Drive, P.O. Box 95, Concord, NH 03302-0095
(603) 271-2900 FAX (603) 271-2456

Pricing History

New York Market – Aluminum Cans

Cents per pound



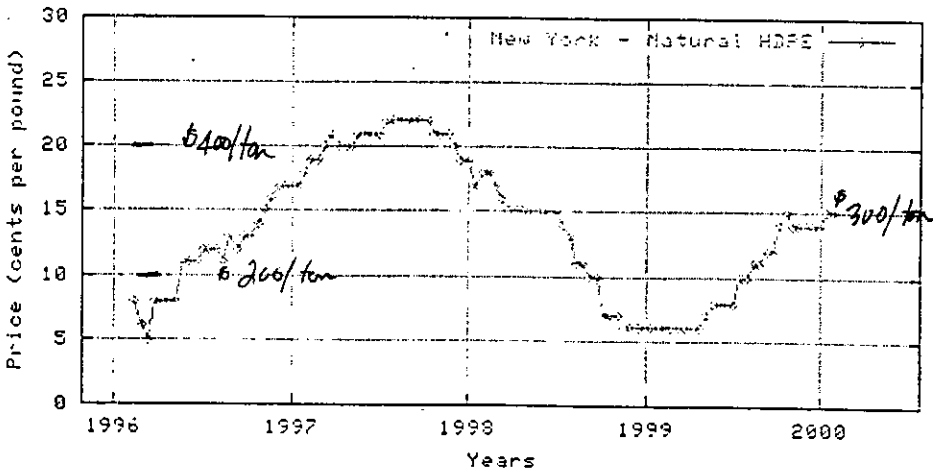
*Data from Waste News 2000

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Pricing History

New York Market – Natural HDPE

Cents per pound



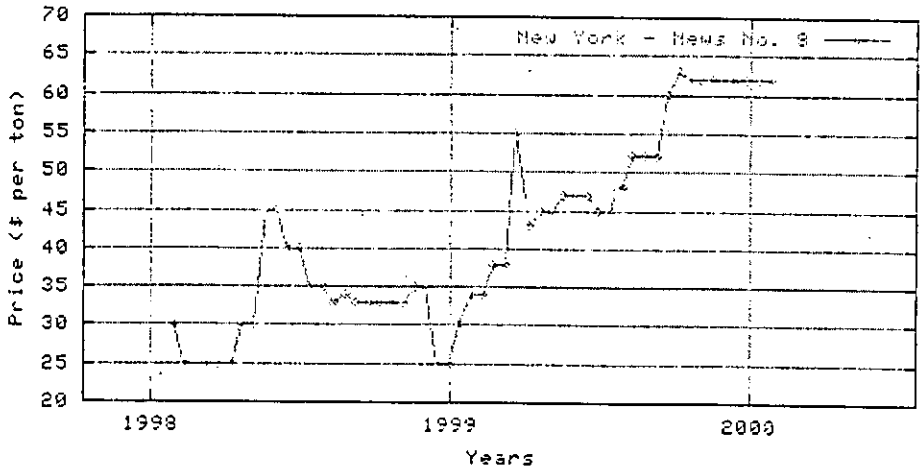
*Data from Waste News 2000

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(603) 271-2900 FAX (603) 271-2456

Pricing History

New York Market – News No. 8

Dollars per ton



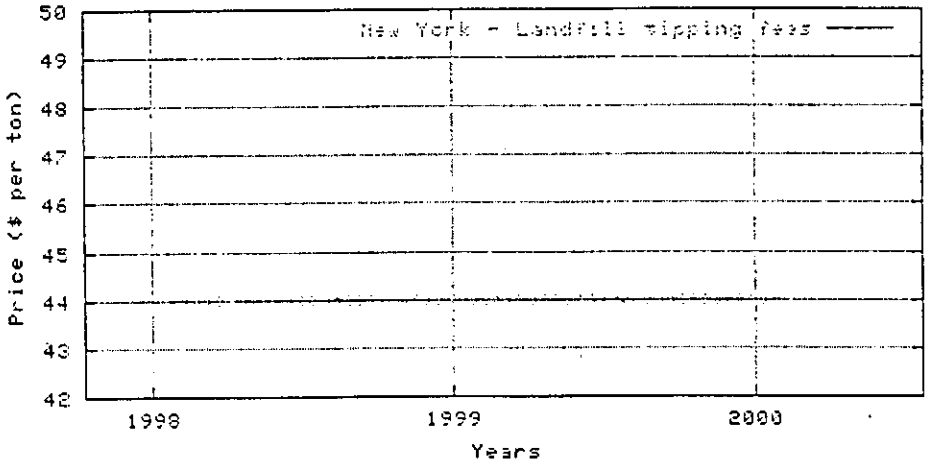
*Data from Waste News 2000

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(603) 271-2900 FAX (603) 271-2456

Pricing History

New York Market – Landfill Tipping Fees

Dollars per ton



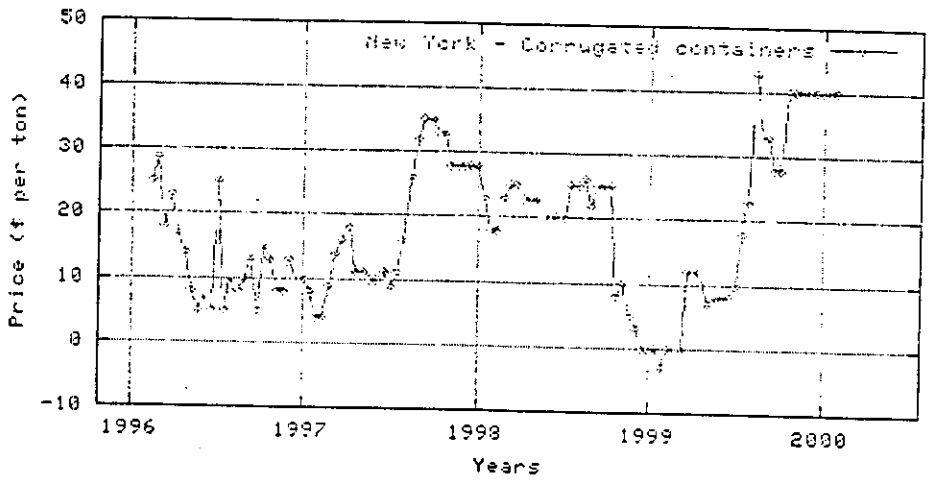
*Data from Waste News 2000

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(603) 271-2900 FAX (603) 271-2456

Pricing History

New York Market – Corrugated Containers

Dollars per ton



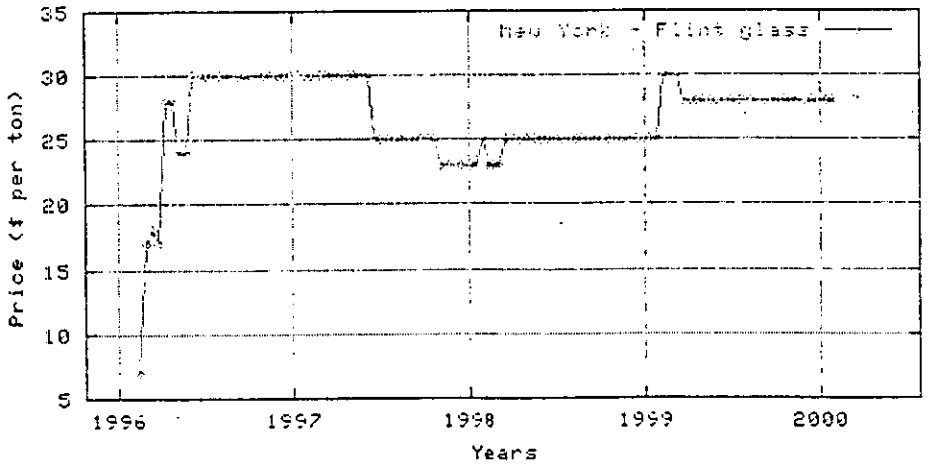
*Data from Waste News 2000

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Pricing History

New York Market – Flint Glass

Dollars per ton



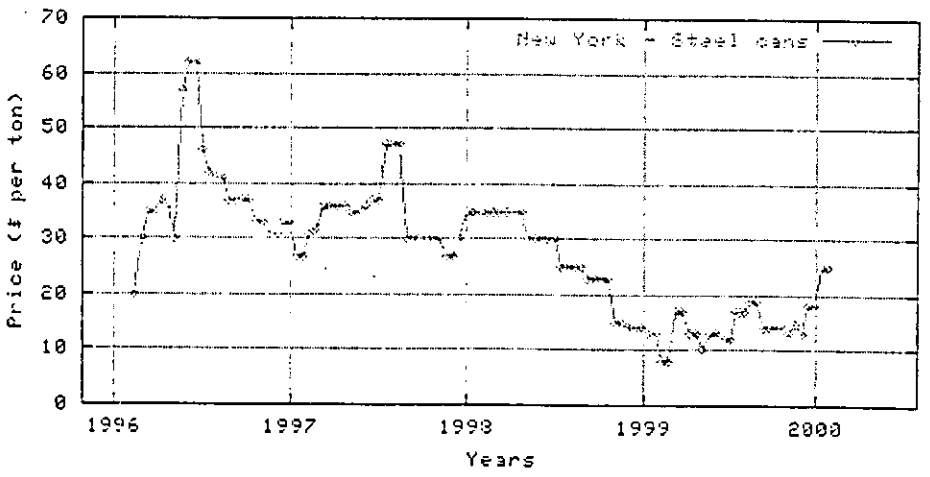
*Data from Waste News 2000

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Pricing History

New York Market – Steel Cans

Dollars per ton



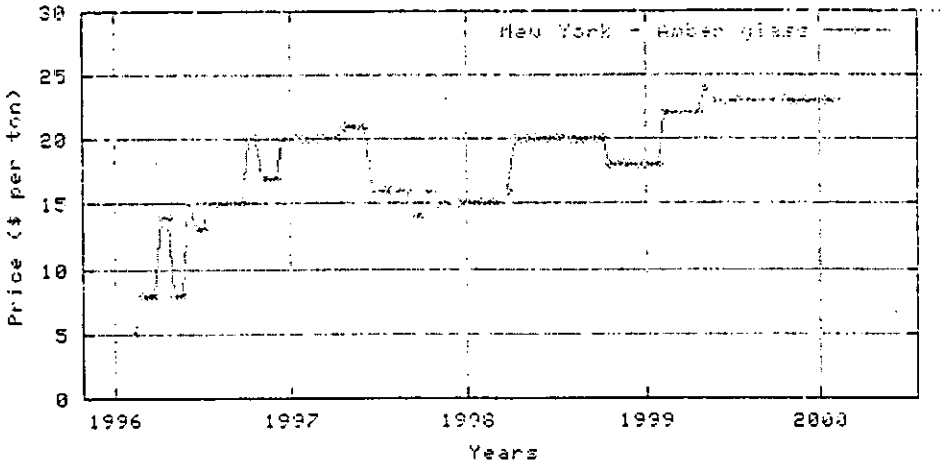
*Data from Waste News 2000

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(603) 271-2900 FAX (603) 271-2456

Pricing History

New York Market – Amber Glass

Dollars per ton



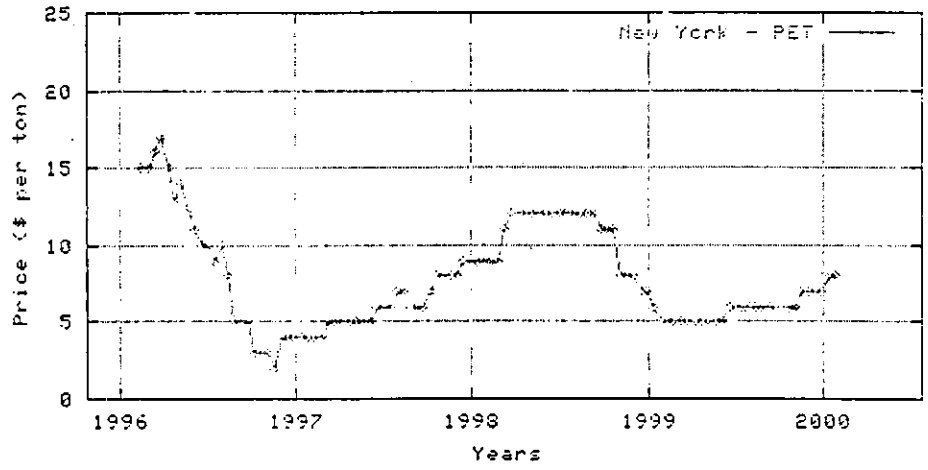
*Data from Waste News 2000

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(603) 271-2900 FAX (603) 271-2456

Pricing History

New York Market – PET

Dollars per ton



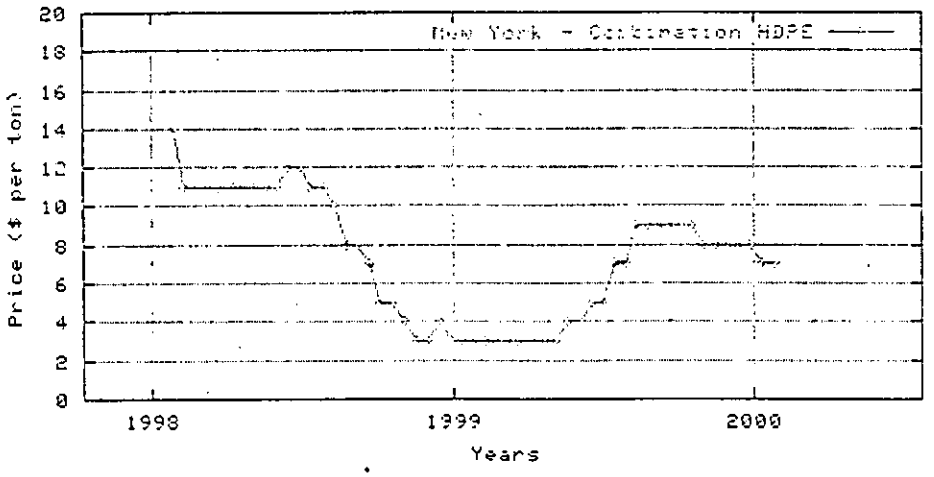
*Data from Waste News 2000

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6 Hazen Drive, P.O. Box 95, Concord, NH 03302-0095
(603) 271-2900 FAX (603) 271-2456

Pricing History

New York Market – Combination HDPE

Dollars per ton



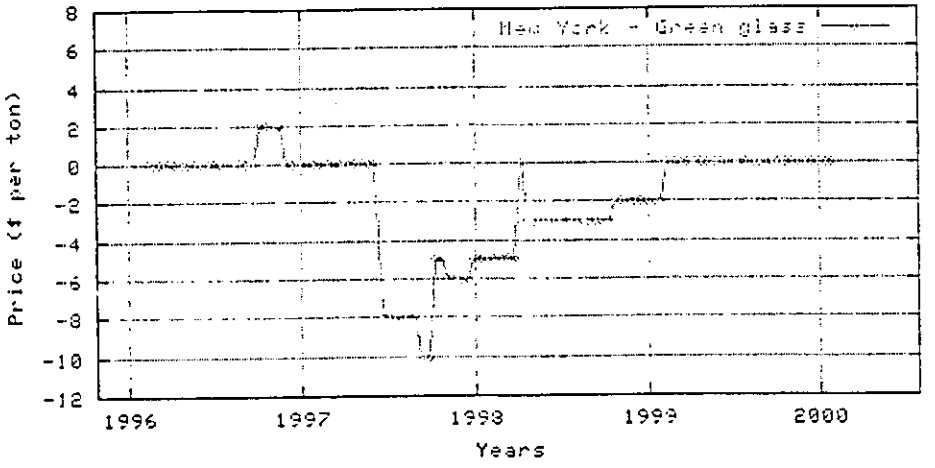
*Data from Waste News 2000

State of New Hampshire
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6 Hazen Drive, P.O. Box 95, Concord, NH 03302-0095
(603) 271-2900 FAX (603) 271-2456

Pricing History

New York Market – Green Glass

Dollars per ton



*Data from Waste News 2000

Committee Report

Date: February 10,2000 Time: 1:00pm

The Senate Committee on Environment held its hearing in Room LOB104, Concord, New Hampshire.

BILL NO.: SB411 TITLE: establishing the New Hampshire returnable beverage container law.

Members of the Committee present:

Senator Russman
Senator Cohen
Senator Below
Senator Eaton
Senator Johnson
Senator Krueger
Senator Pignatelli
Senator Wheeler

Those appearing in favor:

Name and Address	Representing
See Attached.	

Those appearing in opposition:

Name and Address	Representing
See Attached.	

REPORT OF THE COMMITTEE:

- ☐ Ought to Pass
- ☐ Ought to Pass w/ Amendment
- ☐ Inexpedient to Legislate
- ☒ Interim Study
- ☐ Continued Hearing
- ☐ Postponed Hearing

STATE OF NEW HAMPSHIRE

SENATE

REPORT OF THE COMMITTEE

Date: March 15,2000

THE COMMITTEE ON Environment

to which was referred Senate Bill 411-FN

AN ACT establishing the New Hampshire returnable beverage container law.

VOTE: 5-3

Having considered the same, report the same with the following resolution:
Resolved, that it be sent to: **INTERIM STUDY.**

Senator Clifton Below
For the Committee