

**Testimony of Thomas Strahle
President, New York State Bottlers Association**

**February 14, 2023
Albany, New York**

**New York State Senate and Assembly Hearings on the
Proposed FY2024 New York State Executive Budget**

Comments related to the Extended Producer Responsibility Proposal

**Article VII Legislation
Part PP**

Transportation, Economic Development and Environmental Conservation

Good morning to the honorable members of the State Senate and Assembly and thank you for allowing me to provide testimony today, relating to the Governor's proposed state fiscal plan.

My name is Thomas Strahle, I have the privilege of serving as president of the New York State Bottlers Association. I also have had the honor to serve on the front lines of the beverage industry for over fifty years.

The New York State Bottlers Association represents a number of independent bottlers across New York, that employ thousands of employees through our facilities and our industry partners and related businesses. Our industry has been an economic driver across New York for generations. We are proud of the careers we offer and the quality products we provide to our customers.

We are also proud of having been the contributors to one of the most advanced recycling businesses in the marketplace.

As you are aware, New York's soft drink beverage industry plays an important role in advancing the circular economy. Our New York bottlers' packaging is specifically designed for recycling. In particular, our PET bottles and aluminum cans are 100 percent recyclable if recovered correctly and when collected and recycled, can become new bottles and cans.

Further, our bottler's products that are covered under the Returnable Beverage Container Act (Deposit Law) are not considered single use containers due to their advanced recycling.

The Bottlers Association is supportive of the Extended Producer Responsibility (EPR) concept and has been so as these discussions have evolved in New York. As New York's bottlers continue to lead the way in advanced recycling, we welcome the opportunity to work to continue this progress while also providing the products our customers are seeking.

The Association has been a leader in supporting a well-designed EPR founded on the following principles:

- Strong environmental outcomes,
- Efficient, cost-effective and accountable,
- Shared financial responsibility,
- Convenient for consumers,
- Long-term financial sustainability,
- Allow producers to secure material for closed loop recycling, and
- Social inclusiveness and fairness, especially in developing markets with informal stakeholder involvement.

There are a few areas where the Association has concerns related to the proposed EPR policy outlined in this budget that we would like to share with the committee.

In order to be successful, this proposal should focus on the municipal waste stream only and its maximum recycling outcomes. This would be the most effective application and start for EPR and would also be the least disruptive.

To be less disruptive, the role of producers in a producer responsibility program needs to be simple and adaptable. The marketplace in which we operate is constantly evolving. Any EPR program needs to be nimble enough to cover evolving product lines while still meeting the goals of the program without being so bureaucratic it becomes unable to evolve.

Simply put, the EPR system needs to be adaptable as the overall system itself and the coverage it is trying to provide is unpredictable.

The scope of EPR as proposed in this budget needs to be refined and the definitions related to the program need to be clearer while also accurately reflecting optimal operation of the proposed system.

What is clear from our years operating under the challenges of New York's Bottle Bill, is that existing infrastructure must be utilized for efficiency and adaptability.

Further, any changes related to EPR must dovetail and not duplicate the Bottle Bill.

An additional issue that gives us pause in the review of this policy, is that as outlined, this version of EPR assumes major investment in land for implementation of the program to have this system function. Again, it is our belief that many areas of existing infrastructure should be utilized. In many downstate areas of the state, land and occupancy costs are prohibitively expensive for the scope of the activities detailed in this proposal.

Further, the investment into the equipment and vehicle infrastructure required by this proposal is of concern due to the production environment we find ourselves in at this time. Our current experiences show that it requires at least 15 months or more to acquire a commercial vehicle at

current supply levels. This will dramatically impact operations and the enactment of the proposal while also driving up costs.

Thank you for the opportunity to comment on this proposal and to share the New York State Bottlers Association's thoughts on this worthy policy.

We stand ready to answer any questions you might have regarding EPR and our positions. The Association has had the benefit of leading for many years in the recycling marketplace and we welcome the opportunity to continue to be a resource in this matter.

Thank you.

Thomas Strahle, NYSBA President