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## **Testimony of Jade Eddy**

Director, Empire State Redemption Association Joint Legislative Hearing/Environmental Conservation February 2, 2024

Prior to me joining the Empire State Redemption Association, I embarked on the journey of saving my own business due to severe lack of government maintenance on the Bottle Bill. Redemption centers in New York State are still being paid a 3.5¢ handling fee to ensure that containers are recycled. This rate was set in 2009. It is common knowledge that expenses in 2025 are far higher than they were nearly two decades ago. Payroll alone has increased by 113.79%.

When I began this endeavor, I was shocked and appalled to learn that 30 redemption centers had redecently closed. To my knowledge now, New York has lost 150 redemption centers in just the last two years. This accounts for 25% of our environmental industry. This number should bother you. In a time when our government continues to talk about affordability and environmental consciousness, I cannot understand how this crisis has and continues to be allowed to unfold.

The Governor regularly talks about how all New Yorkers deserve fair pay and the ability to afford to live in New York. Redemption centers have long been left out of those statements. We are enduring severely suppressed pay at the hands of the same government imposing skyrocketing expenses on us.

The abuse doesn't end there. A 2009 amendment of the Bottle Bill created a rather large conflict of interest. Prior to 2009, the beverage distributors responsible for paying handling fees to redemption centers and stores recycling containers kept 100% of the money left in the unredeemed fund. This fund is where deposit money was paid but never claimed by consumers. One amendment shifted 80% of that money to New York State. Not including numbers for 2024, New York State has brought in \$1,555,562,264 from this fund. \$0 of which has been invested into the Container Recycling System. The state now financially gains from the system not working as intended. The unfortunate reality is, the more redemption centers close and consumers lose access to container recycling, the more the state gains in the budget. Make no mistake, this is not free money. It comes at the cost of crucial environmental businesses and jobs, and out of the pockets of New Yorkers mandated to pay deposits.

To make matters worse, the Beverage Container Assistance Program (Municipal Waste Reduction and Recycling Program) that is supposed to help create and improve facilities processing recyclable containers through grants is nonfunctional. The grants are only made available to municipalities and non-profit redemption centers and can only be used to fund 50% of the purchase of property or equipment. The grant has never been made available to for-profit redemption centers. Nor has the program ever been funded. Sean Basinski of Sure We Can submitted a FOIL request to the DEC regarding this grant program January 4, 2021 (Reference #W077032-010421). The response to this request stated that a search for history of payments, correspondence relating to payments and any financial documents detailing amounts paid, dates and to whom yielded no results. In 2024, Sure We Can, a non-profit redemption center, applied to this grant program. They have yet to receive a response. It appears that this grant program is in name only. While the state is making a significant



sum of money from the unredeemed fund, none of that money is being used to uphold the system from which it came.

Landfills throughout the state are suffering from incoming waste at an alarming rate. With waste on the rise contributing to New York's environmental concerns, it is unconscionable to let the state's most successful recycling program collapse. There is a great need for Bottle Bill modernization in 2025. Redemption centers are now turning away more material than they are allowed to accept, because bill language is outdated and does not capture the multitude of newer beverages on the market. The volume of containers in New York is also growing. 4.3 billion beverage containers were sold in New York in 2009. That number rose to 9.2 billion in 2022. The need for redemption centers to stay open is clear and grows every day.

The DEC has testified that the containers processed through redemption centers are the most recyclable due to cleanliness and separation. Single stream services not only cost consumers money rather than give it back to them, but the material sourced via this system is not as viable. Single stream recycling often results in glass breaking and contaminating other materials, rendering them less recyclable.

In addition to testifying on this matter, in a letter of support for the Bottle Bill, the DEC wrote:

"Through the DEC's work to implement the Bottle Bill, we are very aware of the issues that redemption centers are facing. We appreciate the concern for the beverage container redemption businesses, as well as the whole of New York State's environment. It is necessary to the mission of the DEC that the Bottle Bill operates as best it can, and for this to happen redemption centers need to be able to stay in business. We recognize the costs of operating a redemption center have increased, while the sole source of revenue, the handling fee, has not increased."

On a personal note, I have not been able to take pay for 8 months due to the state of our industry. I, along with others, have also lost my home. Many have drained their retirement or savings accounts, sold/downsized their vehicles, go without insurance on their families and properties and have been forced to take additional jobs. One owner, a mother of five, recently slept in her redemption center so that she could pull an all-nighter to catch up on the workload she is forced to do alone. Nearly all redemption centers have had to let go of employees to stay open. Many now work alone, despite needing help. The fact of the matter is, we cannot afford to survive under these conditions. We were considered essential during the height of the Covid pandemic. At what point did we become disposable?

I implore you to do whatever you can in your power to find a solution (even if short-term) to this crisis. Many redemption centers are on their last breath and have plans to close their doors in the coming months if help doesn't arrive. And New York's environmental health will pay the price as a result. So will consumers forced to pay a deposit for which they are losing access to getting back.

Sincerely, Jade Eddy