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Environmental Conservation Budget Hearing Testimony, 1/28/25

My name is Ryan Castalia. I'm Executive Director of Sure We Can, a Brooklyn-based redemption center and nonprofit serving independent recyclers. The focus of this hearing is environmental conservation and its ramifications for the state budget. A person only needs to glance at the news or look outside to understand the vast scope of those ramifications, and the steep task the state faces in ensuring the safety, well-being, and success of its people in the daunting months to come. Urgent action that needs to be taken to ensure our communities aren't buried underneath the overwhelming burdens of pollution and climate change, and that hard-fought and successful environmental and economic policy isn't lost because of regressive and short-term thinking. The consequences of inaction are evident–millions of New Yorkers are in real danger of losing their lives or livelihoods. Small businesses and independent workers across the state continue to abandon this vital sector because their income, controlled by the law, is simply insufficient. One might think that this incredible urgency would translate into swift action, yet the legislature struggles to update and maintain even the simplest, most effective, and longest-standing recycling system in our state–the Bottle Bill.

The Bottle Bill works, period. It's demonstrated its efficacy continuously for decades, resulting in the diversion of millions of tons of waste and vast reductions in litter in our communities. It's a mechanism for environmental justice, creating a low-barrier way for marginalized people from all kinds of backgrounds to become independent recyclers who work, contribute to their communities, and earn a livelihood. It supports small businesses in the form of redemption centers that allow any person to redeem their materials easily and efficiently. It even generates revenue for the state through deposits that go unredeemed, without any cost at all to taxpayers—revenue that according to our calculations could increase by \$100 million dollars in the first year of expansion, and at a time when the state can't afford to leave any money on the table. In a very basic way, and on many levels, this system makes our state and communities cleaner and stronger.

All of this is hopelessly out of sync with the neglect the system has suffered. The bottle deposit of 5c hasn't risen for over 40 years. That means that participation in the system is not properly incentivized, resulting in a lower return rate and poorer recycling outcomes. It also means the tireless workers who pick up the bottles and cans that others throw away haven't gotten a raise

in decades. Today in New York City, canners earn on average \$5/hour¹, or less than a third of minimum wage. The handling fee that supports redemption centers hasn't risen for 16 years, while the cost of operating a business has risen drastically. Redemption centers are closing every day because it's too expensive to operate—small businesses providing essential services are collapsing, and making the system at large harder to access for everyone. Vague and unenforced regulation has made accountability between redemption centers and distributors almost impossible. Finally, many types of containers are arbitrarily excluded from the system, creating needless confusion and inconsistency, not to mention increasing litter. Coca-Cola can sell a tea beverage and a soda beverage in the exact same container—same size, same shape, same material—and the soda is redeemable but the tea is not. It simply doesn't make sense. All this combines to hamper the system's efficacy, put more trash on the streets, depress small businesses, and keep independent recycling entrepreneurs trapped on the margins.

With three simple updates, an already-working system could reach new heights. A 10c deposit would push our return rates, now at under 70%, up to 90%, as other states have seen. It would mean more income for independent recyclers and more revenue for the state from unredeemed deposits. An increased handling fee would allow redemption centers to flourish instead of suffer, creating new access points and driving local economic activity. More containers included would mean a drastic increase in the volume of material diverted from our landfills and waterways.

The opponents of this system–often polluters who seem to regard the idea of being asked to help clean up their own mess as an unconscionable moral affront–speak of updating the system as if it will cause the sky to crash down on them. "Prices will skyrocket, people will stop drinking beverages!" They said the same thing in 1982 when the Bottle Bill was first enacted. They said the same thing in 2009 when it was previously expanded. Now it's 2025, and they seem to hope we will have forgotten that the sky never fell, people buy and drink more beverages than ever, and that it is exactly rising prices that make this issue so urgent. A Siena poll conducted in 2024² showed that a majority of low-income New Yorkers, those most impacted by inflation and higher costs at the grocery store, favor the Bottle Bill and want to see the deposit go up. In fact, studies have shown that someone redeeming Bottle Bill material is most likely to spend the money they earn from redemption in the same venue at which they redeemed, meaning taking your bottles and cans back to the store can actually help reduce the cost of a grocery bill.

After years of kicking the can down the road, the system has reached the brink of collapse. The low deposit doesn't drive sufficient participation. Redemption centers are disappearing, making it harder than ever to return materials. Marginalized canners are being further marginalized, and our streets, landfills, and waterways are filling with beverage containers, new and old, that aren't included in the system. We are determined to show that now is the time, that this update is not just possible, but absolutely essential. We are working with stakeholders to gather feedback and suggest technical frameworks that make sense, for example addressing the concerns of small convenience stores that are worried that redemption centers will continue to disappear and the

¹ Independent Recyclers in New York City: Sector Profile and Pathways to Inclusion, 2023, <u>https://www.surewecan.org/study2023</u>

² Siena College Poll, Siena College Research Institute, May 13-15, 2024

logistical burdens of the system will fall on them. They need support too! We are pushing back relentlessly on counterproductive bad-faith arguments around fraud that only serve to confuse and cause delay. We stand prepared to sit down with anyone with concerns to create a transparent, reliable, consistent, accountable system that serves the needs of redemption centers, distributors, and New Yorkers alike.

The Bigger Better Bottle Bill is a huge win for New York: it creates jobs, increases recycling, and promotes environmental justice. As a revenue engine that creates tens of millions of dollars or more annually for the state, it will help keep the state financially healthy, and therefore belongs in the budget. It must pass without delay. Small businesses and marginalized entrepreneurs are suffering. Low-income workers and casual redeemers need more value for their effort. The shadow of the waste crisis hangs over all of us. If the paralysis around this bill continues, all New Yorkers' lives will continue to be severely affected: their communities will be more littered, their waterways more polluted, and their income hampered. We're not talking about reinventing the wheel–this system works, and works very well. It simply needs to be updated to a contemporary standard. New York can't afford to neglect it any longer. I urge you to act quickly and pass the Bigger Better Bottle Bill.