Senate and Assembly Standing Committee on Environmental Conservation Joint Committee Hearing Examining Legislative Solutions to Increase the Effectiveness of the Bottle Bill

October 23, 2023

Chairman Harckham, Chairwoman Glick and respective members of the Senate and Assembly Environmental Conservation Committees, the Food Industry Alliance of New York State which represents the full spectrum of the retail food industry in our state, is appreciative of the opportunity to submit testimony related to expansion of New York's bottle bill.

While we understand the aim of promoting bottle recycling through this legislation, we harbor significant concerns regarding the proposed expansion as reflected in the current legislative proposal and further wish to raise the operational and fiscal issues which would be created for retail food stores.

At the onset, there are significant operational differences between retail food stores and New York's redemption centers. Bottle bill requirements have always failed to recognize this and applied this law without this essential differentiation. Grocery stores, from independent merchants to chain stores, operate throughout New York with the singular, critical mission to provide communities with food and pharmaceutical options. They are not meant to be recycling centers. Considering the numerous food safety requirements they operate under and the tight fiscal nature of the industry as a whole, any expansion will make the basic operations difficult and far more costly.

Further, the expansion as proposed increases the types of beverage containers subject to deposit requirements. The legislation not only mandates the redemption of juice, non-carbonated water and soda, it would also necessitate that grocery stores also take back wine, liquor, and distilled spirits containers—a category of products that, under current law, our stores are not even licensed to sell. We firmly believe that such a mandate is inequitable and unrealistic. It seems preposterous to impose a wine and liquor redemption requirement on an industry that lacks the authorization to participate in the wine and liquor trade.

Considering from a spatial perspective alone, compliance with this proposal would present a formidable challenge. Many food retailers, especially smaller establishments, lack the physical space required to accommodate increased volumes of returned containers. Some stores are already struggling to manage their existing redemption obligations, and the additional burden would strain supermarket storage areas further. Moreover, it is important to note that retail food stores are already obliged to redeem large quantities of containers from individuals who are not customers, a situation that would only worsen with the proposed inclusion of wine and liquor bottles in the redemption process.

Additionally, allocating more space for increased redemption products will only shrink space meant for food products, which in turn impacts product availability for consumers. It also, pending space

availability, could force redeemed products into similar space as products which could be placed on store shelves, thus increasing food safety concerns. It simply is a logistical nightmare.

Another overarching concern is the inadequacy of our current redemption infrastructure to handle the expanded range of containers that would be subject to deposits. This would necessitate manual handling of these additional bottles, which is not only burdensome but also a logistical challenge.

For instance, many of our larger supermarket members rely heavily on Reverse Vending Machines (RVMs), which are not designed to accept some of the plastic bottles and steel cans covered by this legislation. This would result in longer processing times for customers and a substantial financial burden for our stores.

The grocery industry operates on narrow profit margins, and the potential expenses associated with this legislation, such as the need to purchase additional reverse vending machines or expand storage spaces, would be unsustainable for many of our members. It is crucial to consider the broader financial implications, including increased labor, sanitation, and record-keeping costs.

The retail food industry has consistently demonstrated its commitment to promoting healthy living, environmental sustainability, and community development. It is an essential pillar in every community throughout our state. However, it is important to acknowledge that the industry already faces financial challenges due to rising costs across all aspects of store operations. Imposing new costs or mandates could further jeopardize the industry's capacity to invest, expand, and continue serving local communities effectively.

We recognize that a significant portion of these bottles proposed to be incorporated into a new, expanded bottle bill are already being recycled through local programs. We advocate for leaving these containers in the existing recycling system, while making improvements in New York's existing recycling practices and increasing the handling fee to boost redemption centers. Focusing on improving our existing infrastructure will not threaten New York's retail food industry while improving our recycling rates.

For these reasons, the Food Industry Alliance strongly opposes this legislation.

Respectfully submitted,

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