

Container Deposit Policy Review

Recommendation:

The Policy Committee recommends the board keep the existing container deposit policy without change.

Background:

The NRC Board approved the Container Deposit Policy Statement (Option #2) **“The NRC supports deposit return systems for container recovery as a vital strategy to increase the collection and reclamation of clean materials for recycling into new materials.”** The vote was 16 For, 2 Abstentions, 0 Against.

NRC received two letters of support and one letter proposing alternatives; those letters were forwarded to the PolCom. The support letters (included with this report) were from CRRRA and IRA and offered numerous reasons (mirroring those mentioned by NRC board members) why container deposits benefit recycling. The alternative proposal letter (also included) was from the ROC. While the letter contained several erroneous statements, our review was specific to the policy recommendations.

The ROC numbered its alternatives in sequence following the Options #1 and #2 previously provided to the board by the PolCom. They are as follows:

Option 3:

“The NRC supports deposit return systems for container recovery as **an important** strategy to increase the collection and reclamation of clean materials for recycling into new materials.”

Option 4:

“The NRC supports deposit return systems for container recovery as a **way to significantly** increase the collection and reclamation of clean materials for recycling into new materials.”

Option 5:

“The NRC supports deposit return systems for container recovery as **an opportunity to significantly** increase the collection and reclamation of clean materials for recycling into new materials.”

Option 6:

“The NRC supports deposit return systems for container recovery as **one of many important strategies** to significantly increase the collection and reclamation of clean materials for recycling into new materials.”

The Policy Committee has conducted its reviews of all the comments/proposals according to standard practice. Our charge in considering any comments/proposals to modify existing policy is to determine if a proposal strengthens or enhances the existing policy for the purposes of improving/increasing recycling. Unfortunately, none of the proposed options meet those criteria.

The Policy Committee recommends the board keep the existing policy without change.

Rationale: Options #4, #5, and #6 were ruled out as significantly weakening the existing policy. Option #3, in policy considerations, the word "important" is weaker than "vital", which is the reason for not recommending it as a replacement for existing policy.

There are many opportunities, options, and programs that organizations, companies, and municipalities have implemented to increase beverage container recycling, but none have achieved comparable performance to container deposits systems. Not only do container deposit systems increase recovery of beverage containers, but there are ancillary benefits in the states with container deposit systems in the form of overall increased recycling rates and reduced litter. Such benefits save millions of dollars per year that communities could invest in other recycling initiatives or environmental programs. In that regard, container deposit systems are not just important, they are a vital strategy to increase the collection and reclamation of clean materials for recycling into new materials.

The Policy Committee recognizes it is the board's prerogative to deliberate and amend existing policy. If the board wishes to consider one of the proposed options, the PolCom offers the following policy guidance with some background.

Following the close of 2018's Resource Recycling Conference (Oct 2018), NRC's Strategic Planning discussions introduced the topic of establishing a container deposit policy. Per request, the PolCom developed a draft plan to be incorporated in the NRC's Draft Strategic Plan. During the November 2018 board meeting, Chair Barry announced that the container deposit policy would be an important agenda item at the next board meeting (December 2018). The Dec 2018 PolCom update included discussion of the container deposit workplan. While the Definition of Recycling took longer to develop largely due to its industry scope, the container deposit policy was by no means developed quickly, eventually progressing through a ten-month gestation period.

The Policy Committee's charge was to develop a container deposit policy. To complete that task, it created the Container Deposit Working Group (CDWG) to seek feedback from experts on the subject as well as be inclusive of other interested parties, including the ROC Chair and other ROC members. The first policy presented to the board in April 2019 was a strong policy with consensus approval of the CDWG. The board discussed the proposed policy and the PolCom withdrew the proposal before it went to vote. There were some questions raised and the PolCom wanted more time for due diligence in reviewing the issues and to consider newly introduced alternate proposals.

During the May board discussion, numerous comments were provided in support of the policy Option #2. The ROC Chair commented that container deposit systems were one of many vital means of increasing recycling. Despite overwhelming support for the policy, a vocal minority expressed concern. This concern was met with a friendly amendment to the original motion that granted the ROC and ROs additional time to submit substantive comments on a policy the board approved by near unanimous vote. Thus, another consideration was provided in favor of the ROC.

If the board wishes to further consider amending the existing policy, the PolCom would like to remind them that none of the recently proposed options strengthen or enhance the existing policy. While it is the PolCom's opinion that ROC Option #3 is not as weak as the other options, it still weakens the existing policy. Thus, the PolCom reiterates its recommendation to not change existing policy.

In moving forward, the NRC will require a coordinated effort in developing a variety of strategies and messages to outwardly engage on the topic with goals of enhancing funds and membership. The PolCom recommends the President establish and serve as Chair of a "Container Recovery Task Force" consisting of members from the Fundraising, Markets, Membership, Policy, and Communications Committees. If the President does not serve as Chair, then the President should select an appropriate individual to lead/manage the Task Force.

Respectfully,

NRC Policy Committee
Co-Chairs Fran McPoland and Stephen M Bantillo
Members George Dreckmann and John Fredrick

Attachments:
CRRRA Letter
IRA Letter
ROC Letter



California Resource Recovery Association

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July 15, 2019

To the NRC Board:

GOLD

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Recology
Republic Services
ReThink Waste
San Francisco Dept. of the Environment
SCS Engineers
City of San Diego
StopWaste

The California Resource Recovery Association (CRRA) Policy committee has reviewed the container deposit framework and policy, and has been active in the conversations on the ROC. CRRA strongly supports the implementation of container deposit laws. While our bottle bill is not perfect, it has provided tremendous support and infrastructure to increase our recycling rates and help push high diversion numbers. We believe this is a vital strategy that more states should implement, which will help with better recycling results on a national level.

SILVER

Athens Services
Busch Systems
Cascadia Consulting Services
California Refuse Recycling Council
City of Cathedral City
City of Fremont
City of Indio
City of San Jose
HF&H Consultants
Marin Sanitary Service
The Recycling Partnership
S.C.R.A.P. Gallery
TetraTech
PSSI/Stanford Recycling
Waste Management
Zanker Recycling

If anyone knows what works in a good recycling program, it is our membership. It is why we endorse container deposit laws - it works. As much as we support improvements to recycling programs and infrastructure, we feel it is very important not to see this as a substitute for reducing waste through every means possible. Recycling alone is not enough.

Please let us know if you have any questions, and thanks to the NRC for this policy, we believe it will make a difference in overall recycling!

Tracie Onstad Bills
California Resource Recovery Association
Interim Executive Director
Office: 916-441-2772, ext. 1
Mobile: 408-406-1991
Tracie@crra.com

CRRA is California's state-wide recycling association. It is the oldest and one of the largest non-profit recycling organizations in the United States. A 501(c)(3) organization, CRRA is dedicated to achieving environmental sustainability in and beyond California through Zero Waste strategies including product stewardship, waste prevention, reuse, recycling and composting. CRRA advances local, regional and state-wide waste reduction efforts which result in critical environmental and climate protection outcomes. Our members represent all aspects of California's reduce-reuse-recycle-compost economy. They work for cities and counties, as well as hauling companies, material processors, non-profit organizations, state agencies, and in allied professions.



Date: July 15, 2019

To: National Recycling Coalition Board of Directors

From: Iowa Recycling Association Executive Committee

Re: NRC policy on Container Deposit Laws

The NRC's adoption of a policy in favor of container deposit legislation is welcome news. The state of Iowa and its environment has benefited greatly the past 40 years from such legislation. Nearly 50 billion containers have been recycled, weighing 3.3 million tons. Most of this material would be in a landfill or ditch if not for our bottle bill. At a time when all you see in the news is how recycling is failing, or – more so – how people are failing recycling, container deposit laws are the best example of recycling done right.

There is no downside! Whether you look at the positive effect it has on reducing litter, the quality and quantity of materials it delivers for new products and packaging, the reduction in greenhouse gas emissions, the creator of green jobs, or a foundation for educating the public on the importance of recycling the right way, everybody wins.

The Iowa Recycling Association has had a long-standing policy of supporting our container deposit legislation and is working every year to make it even better. This new policy can only help us achieve our goal.

A handwritten signature in black ink that reads "Alan Schumacher". The signature is written in a cursive, flowing style.

Alan Schumacher,
IRA President

The Recycling Organizations Council (ROC) Response to the Approved NRC policy on Container Deposit Laws – July 15, 2019

The ROC would like to thank the NRC for providing us with the opportunity to not only formally respond to the recent adoption of the policy supporting container recycling laws, but to also provide alternative position statements that address the concerns of ROC affiliates.

In addition, we have outlined the issues that have been raised with the process of how this policy was adopted, as well as suggested remedies for improving future interactions between us.

Who is the ROC

The Recycling Organizations Council (ROC) is a council of the National Recycling Coalition (NRC), whose purpose is to ensure that NRC priorities, initiatives, and policies are representative of state, regional and provincial interests, as well as to provide feedback, input, guidance, and support on NRC topics and issues of the day both technical and organizational in nature.

The Recycling Organizations Council works to advance the mission of the NRC by strengthening the capacity of state, provincial, and regional recycling organizations to accomplish their own goals and collective national goals by facilitating networking, information sharing, consensus building, organizational development, and education around key policy, topics, and issues.

Specifically, the ROC functions to:

- *Create value for recycling organization affiliates by being a conduit for active involvement in the NRC and national recycling arena.*
- *Attract and provide an inclusive forum for state, regional, and provincial recycling organizations.*
- *Embody state, regional, and provincial representation in NRC priorities, initiatives, and policy making.*
- *Provide feedback, input, guidance, and support on NRC topics and issues of the day both technical and organizational in nature.*
- *Foster future NRC leaders.*
- *Engage affiliate leaders in discussion of NRC policy issues under the guidance and leadership of the ROC Steering Committee.*
- *Support consensus building around priority NRC topics and issues.*

One of the main points of contention surrounding the NRC's adoption of the container redemption policy, was the lack of outreach by the NRC to its affiliates prior to passing motion.

This lack of interaction between the NRC and the ROC has been an ongoing concern of ROC affiliates for some time. Many affiliate SROs feel the NRC values only the financial support for the coalition they provide, and beyond that, their thoughts and concerns are never sought out, nor are they consulted regarding formal policy/issue votes.

The container redemption policy and the related controversy surrounding this particular position is a prime example of why the NRC Board should be more proactive in engaging with its affiliates and ROC members on such matters, as the value of these affiliates extends well beyond the dues they contribute.

By definition, a coalition is a union of parts in the whole, the parts of which have different needs and concerns, and the It is the duty of the NRC to seek out support for its policy position from its affiliates directly to ensure that those concerns and needs are met, so that the coalition can continue to function as such.

Given that we have been provided the opportunity to formally share the concerns of the ROC and provide potential solutions and/or alternatives to the issue at hand, we submit the following three issues and remedies for consideration of the Board.

Issue 1: A Matter of Process

Background

Discussions at Board level regarding policy supporting container redemption laws began in late 2018, and in earnest in early 2019. However, the discussion was not brought to the ROC or affiliate level until April 2019, at which time the NRC board sought to approve a policy in support of container redemption laws.

At the request of the ROC Chair, the Policy Working Group attended the April 2019 ROC call to share with the ROC members and affiliates the policy and Board's intent to adopt said policy, at which point, several ROC members felt the policy was ill-worded, and was not a policy that their organization could support as worded. It was believed in good faith that these concerns would be taken into consideration at the May Board meeting.

Several ROC members and affiliates felt the adoption of the policy was being fast-tracked with little outreach or input sought beyond the Board level.

Due to lack of outreach on the part of the NRC and Policy Working Group to affiliates ahead of the May Board meeting, the ROC chair began soliciting further input from affiliates and ROC members in order to formally provide feedback to and guidance on this particular policy, noting particular issue with wording of the policy statement.

An alternative option to the original policy statement was presented by the NRC Policy Committee at the May 2019 Board meeting. However, ROC members and affiliates felt the alternative did not address their issues with wording, and that their concerns were not sufficiently addressed, or in some cases completely disregarded.

Despite this, the policy was brought to a vote (or as some affiliates feel was forced to a vote by seemingly the interested parties on the NRC Board who carry an agenda or lobbying function on behalf of the members or contributors they represent), which ultimately passed but with a “friendly amendment rider” to allow ROC affiliates until July 1, 2019 to provide comments.

At that time, the Policy Committee agreed they would reach out to all affiliates in an effort to allow for comment on the policy. Given this outreach did not occur until June 28th, the NRC board extended the comment period for the ROC and affiliate members until July 15th.

The issue that remains is ROC affiliates do not at this time believe their input is truly wanted, or that their feedback will be taken into consideration, given that the Board has already moved to adopt the policy position as it was presented.

Further, the ROC cannot determine where Deposit positioning was expressed as a priority, as it appears it was not a priority of any of the regional markets development sessions held by NRC. This further demonstrates that it is likely new NRC board directors are transposing their own agendas upon NRC, making NRC the proverbial test car for controversy in the industry.

Despite being the NRC’s most consistent form of annual income since 2011, the affiliates have questioned the process and way this issue has played out, and does not feel that the Board is now, or will be, open to input on future matters in any meaningful way.

Remedy for Future Engagements

It is recommended that affiliate members be consulted on policy positions **prior** to formal voting by the NRC Board, which is in keeping with the NRC Strategic Plan and the ROC Strategic Plan.

Not only will this allow committees to present well-supported and vetted positions to the Board for approval, it will save the Board and ROC extensive time trying to seek resolutions or amendments to policies that might not otherwise be supported by affiliates.

This will also demonstrate that the NRC values the affiliates and their input, which will certainly serve to strengthen future relationships and dealings, rather than the forced, after the fact, consideration poorly provided to the ROC over this controversial issue.

Issue 2: A Matter of Policy

Background

“Why this policy, why now?” This question has been asked by several ROC members and affiliates over the course of conversation regarding the NRC’s position on container redemption laws.

Historically, the NRC has refrained from taking a specific stance on this issue because of its divisiveness, and so many are now wondering why is it, in the wake of the National Sword, that the organization has chosen to hang its hat on this particular topic as its next policy to be adopted, when so many other, more relevant and less divisive policy positions could be considered at this juncture.

Some have expressed concern that this particular policy is being championed by personal interests of those serving on the Board and the Policy Workgroup in particular, leaving many affiliates feeling as though the organization is more interested in pursuing an agenda that obviously advances the work of a few while creating discord among affiliates, and potential future members, when instead the NRC should be focused on creating a united front to advance recycling at the national level. Affiliates want to know their voices are being heard and recognized, and at present, as history repeats, feeling ignored.

Remedy for Future Policy Position Adoptions

The NRC Board is encouraged to work with the ROC to identify issues and policies that represent the shared values of the affiliates, and to prioritize those issues and policies that affiliates feel would advance recycling at the national level as well as prove beneficial to their states and organizations.

ROC members have repeatedly stated that they would like to see the NRC be the voice of national recycling legislation, and would love to see the NRC work to advance EPR and further support recycling market development.

Given the diversity of the NRC affiliate members, the ROC recognizes that there are likely to be times when a particular policy up for consideration may not be able to be supported by everyone the NRC represents. In those instances, the ROC believes it is the duty of the NRC to find a position that can be supported by the majority of its affiliates, or to work with those affiliates who cannot support said policy to identify ways they could support, or at least allow for them to provide a minority report.

Issue 3: A Matter of Wording

Background

The NRC Policy Workgroup initially presented the following policy statement of support for container redemption laws:

Option 1:

“The NRC supports deposit-return systems for container recovery as the preferred method of increasing the collection and reclamation of clean materials for recycling into new materials.”

ROC members and affiliates were uncomfortable with the wording ***“as the preferred method”*** Miriam-Webster defines “preferred” as:

“liked better or best; used or wanted in preference to others”

And Dictionary.com defines “preferred to mean:

“to set or hold before or above other persons or things in estimation; like better; choose rather than”

By using the word “preferred” in the policy statement, ROC members and affiliates felt that it implied that above ALL other methods that exist to increase recycling, that container redemption was the absolute number one method to achieve that, which they could not support.

In response to this feedback, the Policy Committee provided a second option at the May meeting, and offered both the original and this second option up for vote to the Board.

Option 2:

“The NRC supports deposit return systems for container recovery as a vital strategy to increase the collection and reclamation of clean materials for recycling into new materials.”

The second option did not alleviate affiliate concerns, as ***“a vital strategy”***.

Miriam-Webster defines “vital” as:

of the utmost importance

and Dictionary.com defines “vital” to mean”

“absolutely necessary or important; essential”

Again, as with “preferred”, the use of “vital” in this policy statement implies that a container redemption laws are of utmost importance, and absolutely necessary to increase the collection and reclamation of clean materials for recycling. This wording does not lessen the concerns or allow those with concerns the ability to support this policy as presented.

Remedy for Alternative Policy Support Statement

Though some affiliates believe the onus lies on the NRC Policy Committee to provide a policy statement option that they can support, the ROC Executive Team does not feel that provides a pathway for maintaining a strong working relationship between the NRC Board and ROC affiliates.

As such, the ROC offers the following policy statements as alternatives to Options 1 and 2:

Option 3:

“The NRC supports deposit return systems for container recovery as **an important** strategy to increase the collection and reclamation of clean materials for recycling into new materials.”

Option 4:

“The NRC supports deposit return systems for container recovery as **a way to significantly increase** the collection and reclamation of clean materials for recycling into new materials.”

Option 5:

“The NRC supports deposit return systems for container recovery as **an opportunity to significantly increase** the collection and reclamation of clean materials for recycling into new materials.”

Option 6:

“The NRC supports deposit return systems for container recovery as **one of many important strategies to significantly increase** the collection and reclamation of clean materials for recycling into new materials.”

These alternatives still allow the NRC to come out with strong support for deposit return systems without alienating its affiliate members whose states cannot and will not support this type of legislation regardless of who comes out to support it.

These alternatives also recognize that other strategies exist and are just as important to building a resilient recovery system. The fact that only 10 states have such laws today, and that states without deposit systems also have robust recycling systems, highlights that not only are redemption laws NOT “vital” to a program’s success, but that there are multiple paths to clean streams of materials, including the most recent research being done by Closed Loop Partners in the MRF of the Future project.

While those states that currently have deposit laws in place do enjoy clean streams of marketable material, other states without such laws have recycling systems that are built on and rely upon different models for their success, and to imply that those systems are somehow subpar or inferior to those systems that do utilize deposit systems, is short-sighted and fails to recognize the complexity of our nation's recycling system.

By selecting to support one of the alternatives presented by the ROC, the NRC is still able to come out in support of deposit systems – something that it has not been able to do previously – while maintaining the support of its affiliate members.

Thank you for your time and consideration of the remedies presented, and we look forward to the Board's decision at the July meeting, based upon the amendments recommended herein.

Sincerely,

Amy Roth

Chair of the Recycling Organizations Council, and on behalf of the ROC affiliates and ROC members