

## Catherine Holm

Washington Food Industry Association represents the independent grocery stores, convenience stores and their suppliers in Washington State. The attached file contains the Washington Food Industry Association's comments on the Plastic Packaging Study recommendations. Thank you.

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**TO:** Cascadia Consulting Group, Eunomia Research & Consulting, Full Circle Environmental and MORE Recycling  
**CC:** Department of Ecology  
**FR:** Washington Food Industry Association  
**RE:** Washington Food Industry Association Comments on “Recommendations for Managing Plastic Packaging Waste in Washington”

On behalf of Washington Food Industry Association (WFIA) and our independent grocery and convenience store industry members, we offer the following comments on the “Recommendations for Managing Plastic Packaging Waste in Washington.”

### General Comments

We appreciate all the work that the entire team did on the very extensive report and recommendations. It is incredibly detailed and well organized. However, COVID-19 has had a significant impact on everyone involved – from the consulting firms to businesses to consumers and other stakeholders. The report does not address the sheer magnitude of the COVID-19 impact on our communities, businesses and our world because most of the study was done before COVID-19 hit Washington State. We encourage the writers of the recommendations to rethink some of their primary recommendations as they are not realistic due to the economic and supply challenges currently facing our communities. An addendum to the study should be done addressing the changes that have been put in place due to restrictions on use of other packaging, viral protection requirements, business shut downs, supply issues related to disease outbreaks, current economic conditions, and how these impact the ability to implement each of the recommendations.

Our immediate concern is that the recommendations require a considerable amount of funding. With limited funds at the government level, combined with the economic recession (and ongoing limited funds at the retail level), there must be alternative recommendations and solutions that do not require significant funding from the government or businesses. The upstream and downstream economic impacts to businesses must be evaluated or you will see businesses closing, product costs rising and consumer costs rising at a time when our economy cannot afford this. Washington is facing a \$4.5 billion deficit in the current budget cycle, requiring Governor Inslee to direct state agencies to cut their budgets by 15 to 25%. The unemployment trust fund will not be solvent by 2021 without backfilling the fund with \$1 billion dollars, which means people may be going without unemployment benefits unless money can be found to replenish the fund. Our state is in crisis mode and asking for a large amount of money for the recommendations is unrealistic. We urge you to reconsider your recommendations and instead focus on creative solutions to plastic packaging waste that focuses on existing structures and funding mechanisms and could be feasibly done without significant increases in costs.

To do this we urge you to focus on the following questions:

- Do we have solutions that do not require money from the government?
- What is the federal government doing on this issue? Can we use their resources or work in conjunction with their actions here in Washington State?
- Within the last several years, there are several states (ME, MD, VT) that passed packaging laws. What are the impacts of those laws on businesses and the waste stream both in terms of reducing plastic packaging waste and the costs for all entities, including consumers?
- Since there are currently not many viable alternatives for food plastic packaging (they are extremely expensive, or it takes months to receive from the manufacturer due to low supply), how can manufacturers be encouraged to create viable alternatives to plastic packaging in spite of the cost to do this at a time when their businesses are struggling?

#### Deposit Return System for Beverage Containers

Out of all the recommendations, deposit return systems for beverage containers -- also known as bottle bills -- is the most alarming. Only 10 states have implemented bottle bills, with the majority occurring in the 1970s and 1980s. The bottle bill theory is an antiquated idea, which has shown very little, if any, improvement in reducing plastic waste in our waste streams or benefiting the environment.

The idea was considered briefly in Washington state in the 1970s. However, the state chose to implement a litter tax in lieu of a bottle bill. The study and recommendations mention the litter tax, but do not expand or seem to fully understand why Washington has a litter tax. Nor do the recommendations consider creative means to better utilize this tax to reduce plastic waste.

The litter tax is a tax on manufacturers, wholesalers, and retailers of certain products which end up as litter. There are thirteen categories of products subject to the litter tax including soft drinks, carbonated beverages, beer, other malt beverages, glass containers, metal containers, plastic or fiber containers, and more. The tax, which has been collected for more than 45 years, originally was intended to pay for litter cleanup and waste prevention programs. However, until recently significant amounts collected have been diverted to other accounts for other purposes. The litter tax is more comprehensive and impacts more packaging than the deposit return system. It also provides an existing, readily available funding mechanism for reasonable recommendations.

When looking at the other states, the bottle bills have many flaws. As an example, Oregon has recycling centers at the food establishments. Our independent grocers in Oregon state the costs are significantly higher and safety is a tremendous issue due to a wide variety of problems such as vermin, contamination within the stores and recycling centers/drop boxes, and health department

challenges. These programs also put our employees at risk due to needles and other safety hazards that end up in the bins with the bottles.

From a cost perspective, it is a new cost to retail operations in Washington State, as the retailer must pay the deposit value when purchasing the redemption valued products from a wholesaler or distributor. The distributor collects the redemption value from the food establishment when delivered - the food establishment does not receive the redemption value back until the consumer purchases the product from the Food Store shelves. This can add several thousands of dollars in weekly operational costs for a food establishment when purchasing redemption valued products from a wholesaler or distributor – without any real guarantee of return on investment.

Some other indirect costs include:

- Increases in worker compensation rates and injury costs due to workplace safety hazards.
- Employee safety equipment - goggles, face shields, thick non puncture rubber gloves.
- Increased utility costs to handle the redemption and recycling process - electricity to run the vending machines, added garbage expense and water to do daily pressure washing of redemption area additional pest control due to both insects and rodents that are attracted to spoiled beverages.
- Construction costs to the food establishment if they need to build or add onto their existing building to create separation between recycling activities and fresh food purchasing.
- No reduction in the existing litter tax which means retailers will be paying twice for reducing the waste of these products.

Instead of recycling an old idea like this that has not shown any improvement in reducing plastic packaging waste and instead creates costs and problems, we encourage the writers of the plastic study to look at Washington's existing structure for funding, waste reduction, recycling and consumer education to come up with more creative solutions that will actually make a difference in reducing plastic in our waste streams. And they must be economically feasible through good times and bad.

Thank you for the opportunity to present these comments, and we hope you take them into consideration.



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