





April 16, 2020



The Honorable Jim Ananich Minority Leader Michigan Senate

The Honorable Christine Greig Minority Leader Michigan House of Representatives

Re: Request for Michigan's Beverage Container Deposit Program to Resume Operations

Dear Leader Ananich and Leader Greig,

On behalf of our trade associations and member companies, we write to highlight the critical role Michigan's beverage container deposit program plays in supporting essential manufacturing business operations, and to ask for your support in our efforts to resume the beverage container deposit program, with safety measures and other appropriate protocol in place.

Beverage container redemption programs, **including Michigan's**, **provide critical inputs and feedstock for essential manufacturing businesses and their customers** (food and beverage companies), as detailed in the guidance issued by the Department of Homeland Security's Cybersecurity and Infrastructure Agency (CISA) on March 28.

Additionally, the President issued updated Coronavirus Guidance for America on March 16. This guidance states:

"If you work in a critical infrastructure industry, as defined by the Department of Homeland Security, such as healthcare services and pharmaceutical and food supply, you have a special responsibility to maintain your normal work schedule."

We ask that Michigan consider the following, with respect to the beverage container deposit program.

- Quick consideration and approval to begin reopening "bottle rooms," where consumers may redeem or return their covered beverage containers (with modified bottle room hours/procedures) in a fashion similar to the other nine states with beverage container redemption programs. These adjustments should adhere to requirements for social distancing, limiting personal contact and appropriate sanitation/cleaning.
- **2.** Publishing a list (online) with updated information on "bottle room" redemption options during this timeframe.

The majority of Michigan's "bottle rooms" facilitate minimal-touch return options, including reverse vending machines, that require little or no contact between the returned container and the bottle room redemption employee. <u>By permitting "bottle rooms" to begin opening now, these operations will not be overwhelmed by a massive increase of returned containers, weeks, or perhaps, even months down the road.</u> Given the historically high return and consumer participation rates in Michigan's program due in part to the 10-cent deposit, our in-state industry partners strongly believe this scenario of a significant amount of redemptions at one time is likely if all of the bottle rooms stay closed. We want to avoid this chaotic scenario. Rather than having that chaos, and an oversupply of material going through the system, this recyclable material can be returned now to more immediately support the food and beverage industry.

Recycled Materials as Part of the Essential Manufacturing Supply Chain

To date, all local and state executive orders regarding businesses have recognized food and beverage manufacturing companies, along with their supply chain partners, as essential businesses and operations. <u>This supply chain for food and beverage companies</u> includes companies and programs that collect, process and otherwise handle recyclables across the country.

Beverage container deposit systems generally account for 20-60% of our collective materials input batch, and Michigan is a key beverage container deposit state. The high quality of recyclables collected and purchased by our industries from these programs require very little sortation and can go quickly back into our manufacturing processes. Simply put, as our industries have ramped up production to meet unprecedented demand for packaged food and beverages, <u>a strong, dependable supply chain of recycled material is essential.</u>

Beverage Container Deposit Program Enforcement Changes and Clarity

We understand the significant pressure on many of the retail and grocery outlets, as they keep pace with customer demand, and at the same time, protect the health of their workforce. As organizations representing essential manufacturing companies that supply the food and beverage packaging sold by grocery and retail outlets, our member companies are also addressing and adjusting to these challenges. Still, we believe there is a way to re-open the bottle rooms such that safety is assured and the material can be used for essential manufacturing.

Thank you for your consideration of our request.

Tom Dobbins

President and CEO Aluminum Association

Scott DeFife

President Glass Packaging Institute

Robert Budway

Robert Budy

President Can Manufacturers Institute

Darrel Collier

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Executive Director National Association for PET Container Resources

Cc: Kara Cook, Policy Advisor, Office of the Governor Ron Owens, Office of the Governor