

**Testimony to the Minnesota House Environment and Natural Resources Finance
and Policy Committee**

The Aluminum Association

February 21, 2024

**Support for HF 3200 - Creating a Beverage Container Recycling Refund Program in
Minnesota**

Thank you for the opportunity to submit testimony in support of MN House File 3200. My name is Curt Wells and I am the Senior Director of Regulatory Affairs for the Aluminum Association. The Aluminum Association is the trade association representing U.S. aluminum manufacturers and their suppliers, and Aluminum Association member companies supply 100% of the aluminum sheet that is produced in the US and used to make aluminum cans.

Demand for used aluminum cans to incorporate into new beverage can sheet far exceeds the supply due to a lack of consumer aluminum recycling. Our members that make aluminum sheet for beverage cans are ready, willing, and able today to incorporate substantially more used cans into their production of new aluminum sheet as it is their preferred raw material. However, aluminum is not produced in the US in sufficient quantities today to meet the demand and the country is heavily reliant on imports of primary aluminum while there is a huge untapped supply of domestically sourced, stable, and low carbon secondary (or recycled) aluminum that can be made available through increased recycling.

The US aluminum industry is currently investing billions of dollars to expand the production of aluminum can sheet and would like to produce that aluminum can sheet with a higher amount of recycled content than the current industry leading 73%. Recycling refund programs such as that contained in HF 3200 are the proven method of increasing that recycled content as research has demonstrated that in the US today, aluminum beverage cans sold in a recycling refund program have a 77% recycling rate as compared to 36% for those that are not.

Specific to Minnesota, according to The Recycling Partnership's *2024 State of Recycling Report*, Minnesota has a 20% recycling rate. For beverage containers, estimates are that each year 3.8 billion beverage containers sold in Minnesota that are collectively worth \$47.2 million go to landfill. Of those 3.8 billion beverage containers annually going to landfill, 1.4 billion are aluminum beverage cans.

However, even improvements in existing curbside recycling will not solve the problem as today 30% of Minnesota households do not have access to curbside recycling, and even if the curbside situation was improved it would not address recycling for the estimated 33% of beverage containers consumed away-from-home.

The proven policy solution for Minnesota that incentivizes consumers to increase their recycling of beverage containers is through recycling refund programs, which place a recycling refund, or deposit, on beverage containers paid at the point of sale. Consumers see a value on the container and have the choice to return it for the refund or forfeit the refund and put it in a curbside recycling bin. As noted above, this solution is proven to substantially increase recycling rates for beverage containers in a short timeframe and also deliver by far the cleanest raw material for remanufacture into new containers.

Minnesota has before it an opportunity to demonstrate its environmental and policy leadership by creating an industry-led program in the form of HF 3200 that incentivizes residents to recycle their aluminum beverage cans, and the **Aluminum Association therefore urges committee members to vote yes on HF 3200** in order to advance it for further legislative consideration.