



February 19, 2024

Representative Rick Hansen, Chair  
Representative Sydney Jordan, Vice Chair  
Environment and Natural Resources Finance and Policy Committee  
Minnesota House of Representatives  
10 State Office Building  
Saint Paul, MN 55155

**RE: Support for HF 3200 - An Act Establishing Beverage Container Recycling Refunds.**

Dear Chair Hansen, Vice-Chair Jordan, and Members of the Committee:

Thank you for the opportunity to submit comments on behalf of Upstream in **support** of HF 3200, which will establish a beverage container recycling refund system for Minnesota. Upstream is a US-based non-profit and leading change agency for the reuse movement in the US and Canada. We spark innovative solutions to help people, communities and businesses shift from single-use to reuse. **We believe recycling refunds, also known as deposit return systems (DRSs), are crucial to accelerating the new reuse economy.**

**HB 2144 will establish foundational infrastructure needed to scale beverage container reuse throughout the state.** This is important because [reusable beverage containers are better for the environment](#). After just three uses, reusable glass bottles are already less impactful than single-use (recyclable) glass or PET bottles and aluminum cans. Used 25 times and then recycled, reusable glass bottles create 85% fewer climate emissions than single-use glass; 57% fewer than aluminum cans; and 70% fewer than single-use PET. Reusable PET bottles can save up to 40% of the raw materials and 50% of the greenhouse gas emissions compared to the production of single-use PET bottles.

Fifty years of data on DRS laws in the U.S. demonstrate that refundable deposits are effective at boosting collection and recycling rates, creating local economic development opportunities and jobs, generating clean streams of recyclable materials through source-separation, preventing roadside litter and plastic pollution, and catalyzing reuse.

**However, the reuse provisions in HF 3200 are not nearly ambitious enough.** Upstream's [policy principles](#) outline six core pillars necessary to successfully incorporating reuse into DRS policy, including strong definitions of reuse that distinguish between returnable and refillable containers; direct producer funding and financial incentives for producers to choose reusable packaging; and enforceable performance targets to establish a minimum quantity of beverages that must be sold in returnables. As introduced, HF 3200 does not align with these principles. A

DRS builds the infrastructure and systems needed to collect used containers and can ensure reusables are returned to producers for recirculation. But without a strong requirement for producers to choose reusable containers in the first place, there may not be any to circulate. Furthermore, as we have seen in numerous DRS programs, it is crucial that reusable containers are not destroyed upon collection, and they must be collected wherever recyclable containers are redeemed for maximum convenience and efficiency. Without these requirements, the program may not function as desired.

**The beverage sector is ready for reuse.** Today, beverage reuse systems operate at scale around the world, and virtually all of them use DRSs to get their containers back:

- In Germany, 82% of beer is sold in reusable bottles, and 99% are returned for reuse. Overall, 54% of beverages sold in Germany are in reusables.
- In Ontario, Canada, 85% of beer is sold in reusable bottles, with 97% returned and an average reuse rate of 15 cycles.
- Reusables account for significant portions of beverage sales in Mexico (27%), Columbia (54%), Brazil (24%), China (22%), Vietnam (31%), Thailand (20%), India (34%), Nigeria (43%), and the Philippines (59%).

On Tuesday, February 20, this Committee heard testimony on HF 3577 - a complementary Act to establish Extended Producer Responsibility (EPR) for packaging and paper products. **It is Upstream's position that packaging EPR systems are strongest and most effective when they are combined with a DRS such as the one outlined in HF 3200.** Enacting these complementary policies together will set Minnesota on the quickest path to a circular economy that prioritizes waste prevention, centers reuse, and expands recycling for all communities.

HF 3577 includes several environmental justice (EJ) provisions, such as the prevention and mitigation of impacts to overburdened and vulnerable communities, and meaningful consultation with these communities throughout the state. Upstream strongly recommends extending these just management requirements to HF 3200. There is no reason that beverage containers should be held to a lesser standard when it comes to community protection and environmental justice.

To realize Upstream's vision of a new reuse economy, we need consumer brands to have real skin in the game when it comes to packaging and selling their products. **We strongly encourage you to favorably report HF 3200, with stronger reuse and EJ provisions, to ensure a sustainable future for Minnesota.** We thank Representative Jordan for her leadership on this as well as on packaging EPR and look forward to working with her and others to strengthen this bill. Please feel free to contact me at [sydney@upstreamsolutions.org](mailto:sydney@upstreamsolutions.org).

Thank you for all you do,

Sydney Harris  
Policy Director