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State of Hawaii Senate Committee on Government Operations Public Hearing on Senate Bill 2158 February 2, 2016

Testimony

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Chair Kim, Vice Chair Ihara, and members of the Senate Committee on Government Operations, the International Bottled Water Association (IBWA) offers the following comments in opposition to Senate Bill 2158, which would prohibit the use of state funds to purchase single-serve bottled water for state agencies.

IBWA is the trade association representing all segments of the bottled water industry, including spring, artesian, mineral, sparkling, well, groundwater and purified bottled waters. IBWA members include bottled water bottlers, distributors and suppliers throughout the United States, including several small, medium and large size companies doing business in Hawaii.

Senate Bill 2158 is not in the public interest and IBWA would urge the committee not to support it. IBWA opposes this legislation because:

- efforts to restrict access to bottled water hinder individuals searching for a healthier beverage alternative
- bottled water has the lowest environmental footprint of any packaged beverage
- being strictly regulated by the U.S. Food and Drug Administration (FDA) as a food product makes bottled water a safe choice for consumers

Research shows that when bottled water is removed as a choice, people will turn less-healthy beverages, not necessarily tap water. The University of Vermont (UVM) experienced "unintended consequences" with their recent bottled water sales ban. Students increased their per capita consumption of soda and the amount of waste actually *increased* after the sales ban was in place. In a published research study, authors wrote: "The results of the research made clear that UVM's decision to remove bottled water drove our students, faculty, staff, and visitors to purchase more unhealthy sugary drinks (33% increase). At the same time, the number of plastic beverage containers shipped to campus increased by 6%."

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The study, "<u>The Unintended Consequences of Changes in Beverage Options and the Removal of Bottled Water on a University Campus</u>" published in the July 2015 edition of the American Journal of Public Health (AJPH), shows when bottled water is not available in a vending machine, people choose other packaged beverages, which may contain sugar, caffeine, and other additives.

In 2011, the state of Vermont considered a similar prohibition on bottled water in state buildings but withdrew the proposal after state workers expressed concern over access to clean water. Originally proposed by the Agency of Natural Resources and supported by the state employees union, the administration of Governor Shumlin decided not to move forward with the proposal after employees spoke against the policy.

"Many, many state employees have brought forward logistical and other concerns that I think we carefully need to consider before we trigger on this policy," then Secretary of Administration Jeb Spaulding said. Spaulding stated that although the union initially backed the plan, the negative feedback from state workers was overwhelming. "We need to weigh whatever small amount of savings might be there and the decline of employee morale which leads to potential loss of productivity and customer service," Spaulding added.

Bottled Water is Safe

Safety and consistency are key reasons consumers choose our product and why so many people who are on the go opt for bottled water. Bottled water is comprehensively regulated by the United States Food and Drug Administration (FDA) as a packaged food product and it provides a consistently safe and reliable source of drinking water. By federal law, the FDA regulations governing the safety and quality of bottled water must be at least as protective of the public health as the Environmental Protection Agency (EPA) standards for tap water.

All bottled water products - whether from groundwater or public water sources - are produced utilizing a multi-barrier approach. From source to finished product, a multi-barrier approach helps prevent possible harmful contamination to the finished product as well as storage, production, and transportation equipment. Many of the steps in a multi-barrier system are effective in safeguarding bottled water from microbiological and other contamination. Measures in a multi-barrier approach may include one or more of the following: source protection, source monitoring, reverse osmosis, distillation, micro-filtration, carbon filtration, ozonation, and ultraviolet (UV) light.

Further, bottled water is one of the few food products that must comply with two sets of FDA requirements in addition to the general food Good Manufacturing Practices (GMPs) -- one prescribes bottled water Good Manufacturing Practices, and the other imposes specific bottled water standards of identity and quality. FDA's GMPs for bottled water apply to every aspect of production, from source protection, all the way through processing, to finished water sampling for purity prior to final bottling.

FDA has established standards for more than 90 substances pursuant to the Standard of Quality (SOQ) for bottled water. Most FDA bottled water quality standards are the same as EPA's maximum contaminant levels (MCL) for public water systems. The few differences are usually

the result of the substance not being found in bottled water or the substance is regulated under FDA food additives program.

While the legislation does allow for bottled water to be available for specific situations such as emergencies, contamination, public health and safety preparedness, there is no indication of who will make the necessary determinations for the use of bottled water. During times of disaster, natural or man-made, bottled water can always be relied upon to provide a safe, clean, and accessible product. However, if bottled water is not readily available during these times of crisis, access to it will be greatly hindered.

Bottled Water is a Strong Environmental Steward

New data compiled by the Beverage Marketing Corporation (BMC) show that between 2000 and 2014, the average weight of a 16.9-ounce (half-liter) single-serve PET plastic bottled water container has declined 51 percent to 9.25 grams. This has resulted in a savings of 6.2 billion pounds of PET resin since 2000. The National Association for PET Container Resources (NAPCOR) notes that producing new products from recycled PET (rPET) uses two-thirds less energy than what is required to make products from raw virgin materials. It also reduces greenhouse gas emissions.

Additional savings of virgin PET can be attributed to increasing use of rPET in bottled water containers. BMC reports that between 2008 and 2014, the use of rPET in bottled water packaging increased by 17.5 percent to 21 percent. In fact, last year alone, rPET use increased by 8 percent. For companies that use rPET, the average rPET content is 20 percent per container.

All bottled water containers are 100 percent recyclable; and of all the plastics produced in the U.S., PET plastic bottled water packaging makes up only 0.92 percent – less than one percent. Moreover, according data derived from BMC and the Container Resource Institute, bottled water containers make up only 4.9 percent of all drink packaging in landfills.

Even with continuing growth and increased consumption, bottled water still has the smallest water and energy use footprint of any packaged beverage. The results of a 2014 IBWA benchmarking study show that the amount of water and energy used to produce bottled water products in North America is less than all other types of packaged beverages. On average, only 1.32 liters of water (including the liter of water consumed) and 0.24 mega joules of energy are used to produce one liter of finished bottled water.

Bottled Water is the Healthiest Packaged Beverage Option

With the popularity and continued consumption of bottled water rising, this clearly shows the public's desire to opt for a healthier choice when choosing their packaged beverages. 2014 statistics from BMC show that Americans' consumption of bottled water increased by 7.3 percent and bottled water sales are up 6.4 percent since the previous year. Meanwhile, carbonated soft drinks volume shrank yet again in 2014, as it has done every year since the mid-2000s. Consumption of fruit beverages has similarly declined year after year, fading from having

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volume comparable to bottled water in the late 1990s to having less than one-third the volume of bottled water by 2014.

The recent release of the 2015 Dietary Guidelines for Americans (DGA) by the U.S. Department of Health and Human Services (HHS) and U.S. Department of Agriculture (USDA) provide strong support for the important role played by water in Americans' diets, and support the increased access to and availability of water as a healthy beverage choice. In particular, the new DGAs note that calorie-free beverages – especially water – should be the primary beverages consumed. In addition, the 2015 DGAs encourage a shift to healthier food and beverage choices, which "include choosing beverages with no added sugars, such as water, in place of sugar-sweetened beverages..."

The DGAs recommend that Americans significantly reduce their intake of added sugars to no more than 10 percent of daily calories – about one 16 ounce soft drink. So, when it comes to beverages, the smart and healthy move is to choose water first for thirst. Limiting sugary beverages and drinking more water – including bottled water – is one of the easiest ways to follow the new nutrition advice from America's top scientists. Awareness of water's important and healthy role in American's dietary choices continues to grow. Recognizing the importance of water, the USDA Center for Nutrition Policy and Promotion's *MyPlate MyWins* guide specifically highlights the need to choose water instead of sugary drinks.

The United States, and especially a state like Hawaii that encourages and offers so much in terms of unique activities, is an on-the-go society that depends on convenience when making food and beverage choices. Ideally, water should be accessible to people everywhere, and the bottled water industry supports a reliable public drinking water infrastructure. However, much of what people drink comes in a package and as a result, today, almost half of the water people drink comes in a bottle. Encouraging the consumption of water, and increasing its availability in all formats including bottled water, is a smart and direct way to help Americans make healthier beverage choices.

Conclusion

IBWA hopes that this information has provided you with better insight into the bottled water industry and the importance of access to bottled water for the state agency employees of Hawaii. For these reasons, we would ask that the Committees oppose Senate Bill 2158. We appreciate this opportunity to offer these comments and are available at any time to discuss information on the industry and the important products we provide.