

Submitter: D Torres

On Behalf Of:

Committee: House Committee On Climate, Energy, and Environment

Measure, Appointment or Topic: HB3940

Chair & Committee Members,

I STRONGLY OPPOSE HB 3940.

While I understand the intent behind such a proposal may be to generate revenue or reduce environmental impact, I believe this tax would disproportionately affect consumers, burden local businesses, and fail to address the underlying issues in a meaningful way which would be to create funds to fight wildfires. I propose you should have every resident and worker in this state donate \$10 per year and that should solve the whole thing. Everyone that resides or works here breathes the air in this state that is greatly effected by wildfires.

Financial Burden on Consumers

Imposing a tax on all beverage containers would create an unfair financial burden on everyday consumers. These products are staples in many households, and for a wide range of income levels, the increased cost could be significant. Beverages like soda, juice, and water are often part of essential diets, especially for families with children or for people with dietary needs. Raising the prices of these common items would negatively affect the cost of living, hitting the most vulnerable populations hardest.

A tax on products such as beer, wine, and cider would impact responsible consumers who enjoy these beverages in moderation. A one-size-fits-all tax does not distinguish between occasional use and habitual consumption, meaning responsible, moderate drinkers would bear the same financial burden as those who consume these beverages in larger quantities.

Impact on Local Businesses

Many local businesses—such as small grocers, restaurants, and cafés—rely on beverage sales to stay afloat. A tax on beverage containers would force these businesses to raise prices or absorb the increased cost, which could ultimately lead to reduced sales, lower profits, and even closures. Small businesses already operate on thin margins, and this tax would make it even harder for them to remain competitive, especially against larger chains that can better absorb such increases.

Ineffectiveness in Addressing Environmental Issues

While the idea of taxing beverage containers may be presented as a way to encourage recycling or reduce environmental waste, research has shown that such

taxes are not always effective in achieving these goals. Studies indicate that successful waste reduction policies often focus on incentivizing recycling through deposit systems or investing in recycling infrastructure, rather than imposing blanket taxes on products that may be environmentally friendly or biodegradable.

Rather than taxing consumers, it would be more effective to focus on targeted solutions such as expanding recycling programs, offering incentives for the return of beverage containers, and investing in sustainable packaging alternatives. These measures would tackle the root causes of environmental waste without unfairly burdening consumers.

Unintended Consequences

A broad tax on all beverage containers risks unintended negative consequences, such as incentivizing consumers to seek alternative, potentially less sustainable options that do not fall under the same tax. Furthermore, the imposition of this tax could lead to cross-border shopping as consumers seek to avoid the tax by purchasing beverages in neighboring regions or states where this tax does not exist.

For these reasons, I strongly urge you to reconsider the proposal for a tax on all beverage containers. Rather than implementing a broad tax that disproportionately impacts consumers and local businesses, I recommend exploring more effective and targeted approaches to addressing the environmental impact of beverage packaging. We should prioritize solutions that promote sustainability without penalizing individuals or businesses who are already doing their part.

I trust that you will carefully weigh the consequences of this tax and choose a more balanced approach to tackling environmental concerns while supporting the well-being of our communities. **DO NOT PASS THIS BILL**