



August 14, 2017

The Honorable Chad Mayes
Leader, Assembly Republican Caucus
State Capitol
Sacramento, CA 95814

Dear Assemblyman Mayes:

On behalf of the Glass Packaging Institute, I am writing to thank you for your support of AB 398, to extend the state's cap and trade law to 2030. From the perspective of the California glass container manufacturing companies and employees, your aye vote served to protect jobs and industry in California.

GPI member companies, including Owens-Illinois, Ardagh Glass and Gallo Glass, provide high-quality, environmentally sustainable glass bottles made with a significant percentage of recycled content to wineries and breweries throughout California and the world. Their plants compete with manufacturers from across the globe which do not comply with the same environmental standards or carry the same regulatory costs as California businesses. As a result, wineries, and other beverage manufacturers from across California and the West save money purchasing less costly foreign-made bottles. There were 2.1 billion more glass containers imported to California in 2015 than 2008 -- more than doubling in value.

At stake with the vote on AB 398 was whether California would continue to meet the state's environmental goals in the most cost-effective way, protecting California manufacturing jobs and preventing industry leakage to other states and countries.

Alternatives being considered to the cap and trade program would have placed draconian restrictions on the California glass container manufacturing industry. Your vote for AB 398 ensured those measures will not take effect.

The Glass Packaging Institute appreciates your support of AB 398 and wishes you continued success in leading the California Assembly Republican caucus.

Sincerely,

A handwritten signature in black ink that reads "Lynn M. Bragg".

Lynn M. Bragg
President

cc: Edelstein, Gilbert, Robson & Smith