Albany Times Union Proposal to modify 'Bottle Bill' uncaps a debate

Albany-- Assembly Democrats want to broaden law; beverage industry says it's expensive, no longer needed

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ALBANY – Proposed changes to the so-called "Bottle Bill" that became law in 1982 would hurt distributors and retailers and raise the cost of bottled water, sports drinks, tea and juice, beverage industry representatives told state lawmakers Monday.

Several opponents of the current law said it would be better to scrap it altogether.

"The law has outlived its usefulness," Kevin Dietly of the New York State Soft Drink Association said at an Assembly Environmental Conservation Committee hearing. "It taught a lot of people how to recycle, but it was passed before curbside recycling was instituted."

Assembly Democrats want to broaden New York's 5-cent deposit law for beer and soda containers to include noncarbonated beverages in hopes of boosting recycling and reducing litter. They also want unclaimed deposits -- now kept by the industry -- to go to the state's Environmental Protection Fund to help municipal recycling programs.

Estimates of the unclaimed deposits range from \$85 million to \$170 million annually.

Michael Vacek, president of the New York State Beer Wholesalers Association, said if the state were to take unredeemed deposits, it would amount to a "new tax" on wholesalers who now use the money to offset the cost of taking back deposit bottles. "Taking the unredeemed deposits amounts to nothing more than government confiscating part of our business," Vacek said. "This taking, denial of revenue, or taxing -- whatever you want to call it -- will leave our industry with one option to recapture the loss: Charge more."

Assemblyman Thomas DiNapoli, the Long Island Democrat sponsoring the new "Bottle Bill," pointed out that consumers would still get their money back for returned bottles. But, Vacek said, some people won't be able to afford the upfront increase, especially those on fixed incomes.

Dietly and others pointed out that redemption rates have declined in New York and other states with bottle laws. Deposit defenders say that's because a nickel doesn't buy what it used to.

"We attribute the decline with the failure of deposits to keep up with the rate of inflation," said Jenny Gitlitz, of the Container Recycling Institute, a national group. She suggested raising the deposit to 10 cents.

It doesn't appear the bottle bill will be changed soon. Neither Senate Majority Leader Joseph Bruno nor Gov. George Pataki, both of whom are Republicans, supports the Assembly proposal.

The governor "has not proposed this as part of the executive budget," said Pataki spokesman Todd Alhart.