



## Money in the Bank

By DeAnne Toto  
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Bottle bills, or beverage container deposit systems, have been making news lately. Headlines such as, "Bigger Is Better When it Comes to the Bottle Bill;" "The 10-cent Debate: Proposal to Expand Bottle Bill Has Friends, Foes;" "Lingle Proposes Opposition to the Bottle Bill;" "Bring the Bottle Bill Up to Date;" and "Mass. Governor Pushes to Expand Bottle Bill" have appeared in newspapers throughout the country within the last few months, with articles discussing the pros and cons of altering the status quo.

While the details of modifications offer varying tones, they are singing a similar chorus: The bottle bills in question ignore a significant portion of today's most popular beverages, such as bottled water, iced teas, coffee-based beverages and juices. In addition to expanding the programs to include these non-carbonated beverage containers, some proposals call for the inclusion of wine and liquor bottles, an increase in the deposit amount or the allocation of unredeemed deposits to the state. States considering one or more of these measures include Connecticut, Massachusetts, Michigan, New York and Oregon.

Despite the volume of the voices calling for expanded bottle bills, states such as Connecticut and Hawaii are also considering repealing their deposit systems in favor of other forms of litter prevention or recycling.

Why are so many states examining the issue right now?

"There are a number of things causing renewed interest in the bottle bill," Darryl Young of the California Department of Conservation, Sacramento, says. "Some people want to expand the system to reap more revenues for ailing state coffers. Some are not satisfied with the status quo."

**KEY MODIFICATIONS.** Patricia Franklin, executive director of the Container Recycling Institute (CRI), Arlington, Va., fears that money may be the primary motivation to modify the bottle bill for some legislators. "I hope that the opportunity to raise money does not

overshadow the goal to increase recycling, conserve resources and reduce litter." She is referring to the states that wish to claim the unredeemed deposits.

While the changes proposed to bottle bills represent a source of revenue to some, to others they offer the chance to increase diversion rates and decrease litter. By expanding the law to include non-carbonated beverage containers, which were virtually non-existent when many of these laws went into effect, Franklin says the recovery rate could increase between 12 percent to 25 percent, depending on the region of the country. "Beer and soft drinks are consumed at a much higher per capita rate in the South and West than they are in the Northeast, the North and the Northwest. On the other hand, these non-carbonated drinks have a higher per capita rate of consumption in the Northeast and in the Pacific," she adds.

Laura Haight, senior environmental associate with New York Public Interest Research Group, Albany, and head of New York's Bigger, Better Bottle Bill Coalition (BBBBC), says that altering New York's bottle bill to include non-carbonated beverage containers would divert an additional 2.5 billion containers (90 percent being glass and plastic bottles) from the waste stream and reduce litter by 11 percent.

"Every bottle and can collected through the bottle bill is something that will not become a burden on municipal governments," Haight adds.

"Because the containers are primarily glass and plastic, it's going to remove containers from other recycling programs—municipal curbside programs and drop-off programs—that are today causing problems in terms of collection, processing and sale of recyclables," Franklin says.

### MIXED FEELINGS

Some recyclers are pleased to learn that states are talking about expanding their bottle bills to include more beverage containers. Others, however, fear that

increased contamination will result.

Curt Bucey, COO of glass recycler Strategic Materials, Houston, says expanding the bottle bill to non-carbonated beverage containers will "shift more material in to high-quality input. It will help as far as processing costs, will help customers get more good material and throw away less [contaminated material]. It's a good thing."

However, Robin Cotchan of the Association of Postconsumer Plastic Recyclers (APR) is not as pleased with the thought of expanding bottle bills. "Most of my reclaimer members don't want to see a bottle bill expanded, because the material that they get out of the bottle bill states is very clean," she says. "It's almost all clear PET, so they pay a premium for that material."

Cotchan fears that increasing the types of plastic bottles accepted will increase bale contamination and result in increased disposal costs for reclaimers.

"I think that's what a lot of states don't understand," she says. "They are asking for more bottles that aren't actually being recycled now, [so] there's no market, there's no infrastructure, there's not enough critical mass."

While Pat Persico, vice president of corporate government affairs for Alcan Aluminum, says the company is concerned about the declining rate of aluminum can recycling, she's not sure the deposit system is the right solution.

According to a consumer survey Alcan conducted last year (see "Can it be Raised," page 110), Alcan has found that consumers would recycle more materials if recycling was more convenient. Therefore, Alcan finds that the more options consumers have, the more likely they will be to recycle.

"Interestingly enough, there is healthy demand for UBCs based on a number of analyses," Persico says. "Recycling is good for the environment, and it makes good business sense."

Peter Allison is branch chief of commercial waste reduction for the Massachusetts Department of Environmental Protection. Allison agrees that the increased diversion of glass and plastic from the municipal waste stream would reduce recycling and trash collection and processing costs for municipalities.

"Plastic is expensive to collect on a per ton basis because of its light weight-to-volume ratio, and glass is expensive to process and it generates negligible revenue in secondary markets," he says.

On the other hand, when this material moves instead to partially state-funded redemption centers, these operators will be saddled with more of the less profitable glass and plastic materials. (See the online sidebar, "A Redeemer's Viewpoint," posted at [www.RecyclingToday](http://www.RecyclingToday) with this feature.)

Some politicians and bottle bill advocates would also like to see the nickel deposits increased to 10 cents, adjusting for the decreased value of the nickel.

New York's BBBBC is advocating for all three changes, which Haight says will result in more than \$172 million in unclaimed deposits yearly.

**BEING REALISTIC.** Betty McLaughlin, director of environmental affairs for the Connecticut Audubon Society, Glastonbury, see some benefit to linking the unclaimed deposits to a state's budget.

"When you start getting the unclaimed deposits for the state, you start solidifying support among legislators for bottle bills, because they get the money. It seems to me that tying the two together makes sense," she says.

While legislators in Connecticut are considering a variety of options regarding the bottle bill, McLaughlin's preferred plan would allow for the inclusion of non-carbonated beverage containers; an increase in the deposit amount from five cents to 10 cents; unredeemed deposits to become property of the state; and an increase in the handling fee paid to redemption centers.

McLaughlin says that the handling fee paid to the redemption centers in Connecticut has not been increased since the program's inception, despite inflation. "I think it's unrealistic to ask them to keep on doing it for no money."

She adds that discussions about the bottle bill negatively impacting curbside recycling programs are inaccurate. "The big thing with the bottle bill that people forget, and that the distributors want us to forget, is that the bottle bill is an anti-litter bill. That's what it was designed to be, and that's what it was passed to be," she says. "Recycling was the happy by-product of the manufacturers being saddled with material that they didn't want and having to find a place for it."

"The bottle bill gave birth to PET recycling," McLaughlin continues. "Without the bottle bill, that would never have happened. Frankly, if you get rid of your bottle bills, it might go away."

**STEADY SUPPLY.** Unless a clean, reliable stream of post-consumer PET is available, beverage manufacturers cannot increase the recycled content of their containers by vast percentages, they have often noted. Young says this is the reason that Coke and Pepsi have set their recycled-content goal at 10 percent.

Franklin adds, "There's no way those companies can go beyond 10 percent with the existing recycling infrastructures."

She says part of the problem is that many single-serve beverage containers are consumed away from home and, therefore, not captured in curbside recycling programs. "The only way to capture them is through a system that works not only at home, but also away from home. The only system that seems to be doing that is the deposit system," Franklin says.

For all the talk in favor of expanding existing bottle bills, at least two states are considering repealing their systems in favor of other recycling and litter programs.

#### **CALL TO REPEAL.**

Hawaii's program has already meet resistance from the state's new governor, and it hasn't even gone into effect yet. The bottle bill was passed into law by the legislature last year, but does not go into effect until 2005. However, Gov. Linda Lingle, who began her term in January, opposes the bill. According to published reports, Lingle prefers restoring a community litter clean-up day and has proposed spending \$300,000 to establish the program as a partnership between public and private interests.

Among the many proposals up for consideration in Connecticut is Bill 6258, which would replace the current beverage deposit system with an advanced disposal fee that would be used to establish a comprehensive curbside program. McLaughlin does not favor this change.

According to McLaughlin's figures, an advanced disposal fee would generate \$5.7 million to \$6 million, which would be applied toward establishing a comprehensive

curbside program in Connecticut. "If we keep the bottle bill in place and keep the unclaimed deposits," she says, "we would generate \$23 million in state revenue without a tax increase and keeping a privately funded infrastructure in place.

McLaughlin adds, "There's no substitute for the bottle bill. Every state in the Union should have one. There ought to be a national bottle bill."

**A NATIONAL SYSTEM?** In 2002 Sen. Jim Jeffords (Independent, Vermont) proposed national bottle bill legislation in the National Beverage Producer Responsibility Act of 2002. The legislation called for a 10-cent refundable deposit on beverage containers and proposed an 80 percent nationwide recycling rate. Beverage producers would have been free to design and operate any recycling system that met these requirements, provided they had EPA approval.

This national legislation has all but vanished, as Sen. Jeffords no longer chairs the Senate Environment Committee. Young adds, "I think people are looking locally because they feel they can have a larger role in what they can say and do."

However, a national system would provide advantages, should the cause be championed again.

Allison says, "A nationwide deposit system would improve the efficiency of the bottle bill in that it would streamline labeling requirements and collection systems and reduce redemption of non-deposit containers (marked with the deposit label, sold in non-deposit states and redeemed in deposit states)."

A national system also enforces the notion of extended producer responsibility, favored by many environmentalists but not most manufacturers. Young, however, says he thinks many consumers find that the concept makes sense.

He says, "I think there is a general notion that there is some responsibility required by manufacturers to promote responsible conservation of the materials they generate."

McLaughlin says the bottle bill represents "exhibit A" in terms of the effectiveness of extended producer responsibility. "In a free society and in a capitalist society, we'll [the consumer] pay for that, because we're paying for it anyway. That's the bottom line. It's a question of how we pay," McLaughlin says.

#### **SOUND OFF**

[A redemption center operator cites problems within Massachusetts' existing deposit system. Click here for the Online Only story.](#)