

Modernizing Connecticut's Bottle Bill in 2021

The Top 7 Facts of SB1037

1. [Increases consumer convenience](#)
2. [Promotes environmental justice by increasing public health and safety](#)
3. [Eighty one percent of voters are asking for modernization of the bottle bill](#)
4. [Decreases economic burden on taxpayers and municipalities](#)
5. [Creates green jobs](#)
6. [Allows producers to mitigate unauthorized redemptions](#)
7. [Charities and professional 'canners' can make money for less work](#)

FACT 1: INCREASES CONSUMER CONVENIENCE.

A modernized bottle bill **INCREASES** the number of redemption locations and the type of redemption methods for consumers by:

- **Raising the handling fee to 3.5 cents has proven to increase the number of redemption centers statewide:** When New York increased its handling fee to 3.5 cents; the number of redemption centers grew from approximately 400 to over 1,000. The increased handling fee provides additional income for redemption centers and retailers to invest in making the consumer redemption experience clean, convenient and overall, more enjoyable.
- **Mandating certain retailers to provide Reverse Vending Machines (RVMs):** This will increase the number and locations of redemption machines available to consumers so they will be able to redeem their beverage cans and bottles ("containers") more conveniently and efficiently. This has already been proven in New York today.
- **Increasing the deposit value has proven to motivate retailers to participate in redemption including in urban areas:** Michigan, where the bottle redemption/refund value is 10cents, collects 89% of all deposit containers.¹ This is made possible because in cities like Detroit, multiple retailers provide redemption services in every neighborhood. Like Connecticut, retailers are legally obligated to accept containers and refund consumers their deposit money, but in Michigan the ten-cent deposit means more consumers demand their retailers participate.
- **Allowing quick, 'bag drop' redemption** – Consumers will be able to set up an account with their local retailer to simply drop off a bag of deposit containers and have their account credited.

FACT 2: PROMOTES ENVIRONMENTAL JUSTICE BY INCREASING PUBLIC HEALTH AND SAFETY

A modernized bottle bill **INCREASES** the types of beverage containers that can be returned for cash and increases the incentive for the public to participate, which improves public health and safety by:

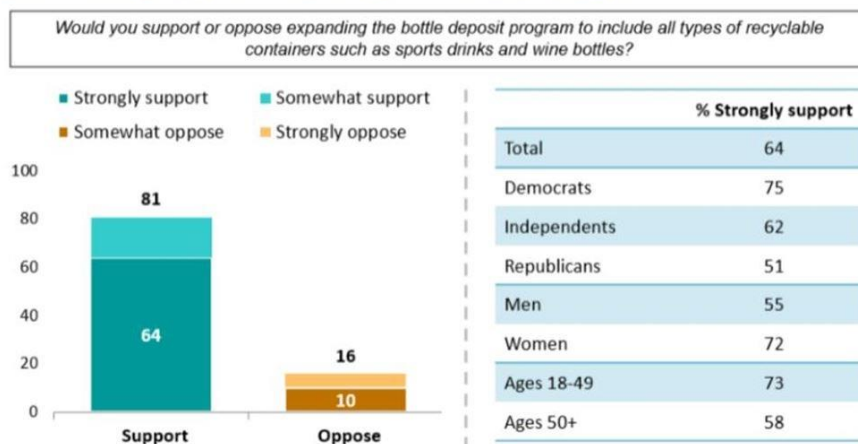
- **Raising the recycling rates for bottles and cans:** When Oregon increased its deposit value from five to ten cents the collection rate for deposit containers immediately jumped from 64% in 2016 to 86% in 2019.² Due to the increase in the financial incentive to participate, container deposit programs collect for recycling 2-4 times the rate of beverage containers than non-deposit collection systems.³

- **Reducing litter and plastic pollution:** Beverage containers are the number one item found littered in the Connecticut River (by far) and nips blight Connecticut neighborhoods.⁴ States with a meaningful deposit value experience less beverage container litter as a proportion of all litter compared to states with a low deposit value or no deposit law.⁵ Anecdotally, after Maine added nips to its bottle bill in 2019, one redemption center owner said “Nip litter is no longer a problem in Maine.”
- **Improving air quality:** Low-income communities and communities of color in cities like Bridgeport and Hartford disproportionately bear the costs of Connecticut’s waste incinerators. A modernized bottle bill would divert tons of containers from landfills and incinerators, helping to improve land and air quality in nearby communities by reducing leaching and emissions of toxic pollutants such as mercury, lead, dioxins, furans, sulfur dioxides, and volatile organic compounds.⁶
- **Mitigating climate change –** Proper and non-contaminated material recovery increases the reusability of materials and lessens the need for the extraction of virgin material sources, reduces truck traffic and promotes energy conservation, all of which play an important role in the effort to combat climate change.⁷ Making beverage containers from recycled content uses significantly less energy and fossil fuels in their production than using virgin materials: recycled aluminum uses 95% less energy, recycled plastic uses 30% less energy, and recycled glass uses 35% less energy.⁸

FACT 3: EIGHTY ONE PERCENT OF VOTERS ARE ASKING FOR MODERNIZATION.

A 2020 poll of likely voters showed that 81% supported expanding the bottle deposit program to include all types of beverage containers including sports drinks and wine bottles, including Republicans, Independents and Democrats alike.

■ Figure 2: Strong support for expanding bottle deposit program



Greenberg Quinlan, Jan 2020. Commissioned by the Connecticut League of Conservation Voters
Connecticut statewide survey of 500 likely 2020 General Election voters in Connecticut.

FACT 4: DECREASES ECONOMIC BURDEN ON TAXPAYERS AND MUNICIPALITIES.

Changes in the commodity markets and Connecticut's waste disposal capacity have made it challenging for Connecticut municipalities to pay for recycling AND waste disposal.

A modernized bottle bill DECREASES their economic burden by:

- **Diverting costly recyclables from municipal waste streams:** The cost of the 'blue bin' has skyrocketed and Connecticut towns are on the receiving end of international market forces that have disrupted the value of recyclables. Towns used to make a small profit on recycling or at least break even but are now paying significant portions of their budgets to cover these services. For example, Fairfield went from MAKING \$50k+ to PAYING \$525,561 and Bridgeport went from MAKING \$129,5125 to PAYING a projected \$394,380 (2018-19).⁹
- **Helping municipalities avoid rising waste management costs** - Towns are currently paying to throw away approximately 69,664 tons of beverage containers according to the Governor's Council on Environmental Quality.¹⁰ Beyond the environmental damage, this is a challenge because waste tip fees have risen dramatically as Connecticut's disposal capacity has tightened (waste tip fees for MIRA subscription towns have risen 35% since 2018). Waste tip fees will continue to rise as one of five of the states' waste incinerators is set to close next year.¹¹

Towns are now seeking ways to divert material from both the trash and the curbside/drop-off recycling bin because it helps avoid costly tipping fees for both services. *That is why Connecticut's Council of Municipalities¹² and Connecticut's Council of Small Towns (COST) both support raising the deposit value and adding more containers to the program.*¹³

When DEEP asked the towns participating in the Connecticut Coalition for Sustainable Materials Management (CCSMM) what legislative priorities they would support this 2021 legislative session, the number one priority indicated by respondents was modernizing the bottle bill (including raising the deposit value, increasing the program to cover more beverage categories and increasing the handling fee).¹⁴

There are over forty studies that show towns stand to gain when deposit systems are adopted or expanded.¹⁵ In 2009 the Massachusetts Department of Environmental Protection found that modernizing the state's bottle bill would cost the municipalities some revenue loss from aluminum and PET but overall statewide they would generate net savings of \$4.2 – \$6.9m due to avoided collection costs, avoided disposal costs, and avoided litter clean-up costs.¹⁶ A similar 2020 study came to the same conclusion for Vermont.¹⁷

FACT 5: CREATES GREEN JOBS.

More jobs are created in a modernized bottle bill because it captures more items from the waste stream.

These are jobs at redemption centers, truck drivers, reverse vending technicians, processing facility staff and more. Studies that have evaluated the economic impacts of modernizing deposit programs have found that some material shifts from the curbside/drop-off collection system to the deposit collection system, which does result in losses at those facilities, **but more jobs are created overall.**¹⁸ That's because bottle bills capture the economic value of recyclables we are currently paying to throw away. For example, a 2019 study evaluating the impacts of modernizing New York's deposit program in much the same way Connecticut is considering today, found that the curbside/drop-off collection system would suffer some losses, but overall, there would be a net job gain of over 2,000 jobs statewide (through direct, indirect and induced effects).¹⁹

FACT 6: ALLOWS PRODUCERS TO MITIGATE UNAUTHORIZED REDEMPTIONS. Unauthorized redemption is not a serious concern in deposit systems where producers have prioritized addressing it. Multiple solutions exist to mitigate it by:

- **Placing state-specific markings on deposit containers.** A visual marking on the label can be used by manual redemption locations to verify a container is eligible deposit. In the same way, RVMs can reject any container that does not have a state-specific “add-on” barcode. Multiple distributors take this step today in Connecticut.

Fraud Prevention Label Examples	
Deposit markings for manual returns	“Add-on barcodes” for automated returns
Poland Spring non-deposit label  Poland Spring deposit label 	Coca-Cola deposit label 

- **Allowing redemption providers to limit daily returns to \$25 per person if they have “reasonable grounds” to suspect the redeemer is committing unauthorized redemption (drivers with out of state license plates).** Michigan and Oregon implement this in their deposit programs today.
- **Using analytical tools from online RVMs to identify potentially suspicious behavior remotely.**
- **Raising penalties.** CT can raise penalties for those who knowingly participate in unauthorized redemption. Revenue from unredeemed deposits could be put towards enforcement.

FACT 7: CHARITIES AND PROFESSIONAL ‘CANNERS’ CAN MAKE MONEY FOR LESS WORK

A modernized bottle bill **INCREASES** the consumer incentive to recycle that will result in more people **redeeming their own containers**. Still charities and ‘canners’ can break even and won’t have to collect as many containers, because every deposit container will be worth twice as much. And everyone will benefit from the increase in additional redemption locations thanks to the raise in the handling fee.

ENDNOTES

- 1 Bottlebill.org. 2019.
- 2 "Oregon," BottleBill.org 2019.
- 3 Connecticut's redemption rate for deposit containers was 50% in 2019 (BottleBill.org). The average collection rate for recycling is 22% for non-deposit containers and 66% for deposit containers across the US according to Container Recycling Institute's 2021 Beverage Market Data Analysis of 2018 data. Michigan and Oregon on average achieved an 88% collection rate for recycling or redemption rate in 2019 (Bottlebill.org).
- 4 "Bottles Top the Trash Tally in Connecticut," Connecticut River Conservancy. 2021. Accessed via: <https://www.ctriver.org/bottles-top-the-trash-tally-in-connecticut/>
- 5 "Littered Bottles and Cans: Higher in Virginia Than in States with Bottle Bills," Longwood University. 2020. Refers to Michigan and Oregon, which have higher deposit values than other US states.
- 6 See David Azouly, Plastic & Health: The Hidden Costs of a Plastic Planet, 44–47 (2019),
- 7 <https://archive.epa.gov/region4/rcra/mgtoolkit/web/html/community.html>
- 8 As You Sow. 2021. Accessed via: <https://www.asyousow.org/our-work/waste/beverage-container-recycling>
- 9 "CT's Recycling Market Collapses," CTPost. 2019. Accessed via: <https://www.ctpost.com/politics/article/CT-s-recycling-market-collapse-13661573.php>
- 10 "Low Deposit, Low Return Recommendations to decrease solid waste by capturing redeemables that are now lost to the waste stream," Governor's Council on Environmental Quality. October 2020. Accessed via: <https://portal.ct.gov/-/media/CEQ/Publications/Low-Deposit-Low-Return.pdf>
- 11 DEEP Commissioner Dykes' CCSMM Kick-off. 2020. <https://portal.ct.gov/DEEP-CCSMM>
- 12 "Environment Committee Testimony," Donna Hamzy, Connecticut Coalition of Municipalities. March 2021. Accessed via: <https://www.cga.ct.gov/2021/ENVdata/Tmy/2021SB-01037-R000319-Hamzy,%20Donna,%20Advocacy%20Manager-Connecticut%20Conference%20of%20Municipalities-TMY.PDF>
- 13 "Connecticut's deposit fee on bottles and cans could rise to 10 cents as lawmakers seek to increase redemption rates and cut down on waste," Hartford Courant. 2021. Accessed via: <https://www.courant.com/politics/hc-pol-bottle-deposit-redemption-increase-20210219-m2kswybx6vfgde2mirkray3hti-story.html>
- 14 "CCSMM Survey Feedback – Menu of Options," DEEP on behalf of CCSMM. December 2020. Accessed via: https://portal.ct.gov/-/media/DEEP/waste_management_and_disposal/CCSMM/CCSMMsurvey1-29-21.pdf
- 15 "Fact Sheet: Deposit Return Systems Generate Cost Savings for Municipalities," Reloop. 2020. Accessed via: <https://www.reloopplatform.org/wp-content/uploads/2021/02/Fact-Sheet-Economic-Savings-for-Municipalities-8FEB2021.pdf>
- 16 "Benefits of an Expanded Bottle Bill on Municipal Refuse and Recycling Costs and Revenues," MASSDEP. 2009. Accessed via: <https://www.amherstma.gov/DocumentCenter/View/3352/635-REQUEST-FOR-SUPPORT-OF-BOTTLE-BILL>
- 17 "Impacts of Increasing Vermont's Bottle Bill Scope and Deposit Value," Eunomia. 2020. Accessed via: <https://www.eunomia.co.uk/reports-tools/impacts-of-increasing-vermonts-bottle-bill-scope-and-deposit-value/>
- 18 "Fact Sheet: Deposit Return Systems Create More Jobs," Reloop. 2020. Accessed via: <https://www.reloopplatform.org/wp-content/uploads/2021/02/DRS-Factsheet-Jobs-5FEB2021-1.pdf>
- 19 "Employment and Impact of Container Deposits – New York," Eunomia. 2019. Accessed via <https://www.eunomia.co.uk/reports-tools/employment-economic-container-deposits-ny/>

Fact Sheet: Connecticut Senate Bill 1037

Signed by Governor Ned Lamont on 6/16/21

Timeline of changes to Connecticut's bottle bill:

Date	Key Provisions
10/1/21	• Increases handling fees to 2.5¢ and 3.5¢ (for beer and all others)
	• Certain retailer chain stores required to have at least 2 RVMs
	• Liquor “nips” (50ml or less) required to have a 5¢ fee
	• \$5 million grant program to establish new redemption centers in underserved areas
	• Distributors begin sharing revenue from unclaimed deposits, increasing from 5% in fiscal year (FY) 2022 to 55% beginning FY 2025 and beyond. See below for details.
4/1/22	• Liquor wholesalers must report where and how many nips were sold in the previous 6-month period. The Wine & Spirits Wholesalers of Connecticut must remit fees directly to municipalities.
7/1/22	• Stewardship program Plan must be submitted to DEEP by producer responsibility organization (PRO); Plan must have 80% redemption rate target
10/1/22	• DEEP submits recommendations to Plans for stewardship program to Environmental Committee
1/1/23	• Expand to include non-carbonated beverages, hard seltzer, hard cider • 80% of wine and spirit containers to be furnace-ready cullet or by-product, but not included in the deposit program
1/1/24	• Deposit-refund increases to at least 10¢

Revenue sharing: Since 2019, 100% of unclaimed deposits have escheated to the State, amounting to \$44.8 million in 2021. SB 1037 establishes revenue-sharing between the distributors and the State for unclaimed deposits, according to this schedule:

- FY 22/23: 5% of unclaimed deposits to be kept by distributors
- FY 23/24: 35% of unclaimed deposits to be kept by distributors
- FY 24/25: 45% of unclaimed deposits to be kept by distributors
- FY 25/26 and onward: 55% of unclaimed deposits to be kept by distributors

Effects of these modernizations:

Environmental: a higher deposit and more containers covered will lead to more recycling; fewer containers landfilled, incinerated, and littered; and more high-quality feedstock for container manufacturing.

Justice: low-income communities and communities of color disproportionately suffer the consequences of Connecticut's waste incinerators.¹ By diverting materials away from incineration, the toxic pollutants emitted are reduced. Additionally, those that rely on the redeeming deposit containers for supplemental income will automatically double their earnings.

Taxpayer savings: curbside recycling and landfilling are costly expenses for municipal government. This modernization will result in a decreased financial burden on taxpayers and municipalities.¹

¹ “Modernizing Connecticut's Bottle Bill in 2021” CT Bottle Bill Works Coalition, March 2021.