

## The NYS Returnable Container Act & Proposed Changes

	<b>Current Bottle Bill (ECL Article 27, Title 10)</b>	<b>Bigger Better Bottle Bill Proposed 2007-08 Executive Budget</b>	<b>Impact of Proposed Changes</b>
<b>Beverages Covered</b>	Carbonated soft drinks, sparkling water, beer & malt beverages, and wine coolers	All beverages covered under current law, plus non-carbonated beverages, with the exception of: milk and dairy products; infant formula; alcoholic beverages other than beer and malt beverages; nutritional supplements; syrups; concentrates; soups; powdered and frozen beverages	Adds non-carbonated beverages such as bottled water, iced tea, and sports drinks to the deposit law. This would result in up to 3.8 billion* additional bottles and cans returned and recycled each year, resulting in cleaner communities, more recycling, and savings for municipalities.
<b>Containers Covered</b>	Glass, metal, or plastic bottles and cans, up to one gallon or 3.8 liters in size	Glass, metal, or plastic bottles and cans, under one gallon or 3.8 liters in size	Removes gallon-sized containers from deposit law
<b>Deposit</b>	Minimum 5-cent refundable deposit on all eligible beverage containers	No change	None
<b>Unclaimed Deposits</b>	The law is silent on this issue. Beverage distributors and bottlers have kept more than \$1.6 billion** in unclaimed deposits since the law began.	Requires deposit initiators to transfer unclaimed deposits to the State Environmental Protection Fund.	Assuming a 70% redemption rate, estimates range from \$100 million to more than \$180 million a year* in new funding for open space, parks, farmland protection, river clean-ups, recycling, waste prevention, and other environmental programs. New York would be following the lead of other states that take back unclaimed deposits (Maine, Massachusetts, Michigan, California, Hawaii).
<b>Handling Fee</b>	Deposit initiator (e.g. bottler or distributor) pays retailer or redemption center a 2 cent handling fee for every container they redeem	Increases handling fee from 2 cents to 3.5 cents.	Increases the compensation to stores and redemption centers by 75%. The increased handling fee would also be a financial incentive for creation of more redemption centers, which would ease the burden on retailers.

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<p><b>Retailer Requirements</b></p>	<p>Stores must accept up to 240 empty containers per person/per day of any beverage that they sell, and refund the deposit to the redeemer. Stores may refuse to accept broken, dirty, or corroded bottles or cans, or those that are not labeled with a NYS refund value.</p>	<p>Lowers the thresholds for New York City retailers; no change for rest of state. <i>In New York City only</i>, stores can limit returns to 72 containers per person/per day of any beverage they sell if one of the following applies: (1) there is a redemption center within a ½ mile or a mobile redemption center within ¼ mile; (2) the retailer provides a minimum 2-hour period each day in which it will redeem the full 240 containers per person, per day; or (3) the retailer is under 8,000 square feet.</p>	<p>Reduces the number of bottles and cans that retailers in New York City must redeem if there is a redemption center nearby. This provides a powerful incentive for NYC retailers to assist in the establishment of new redemption centers. Lowers the takeback requirements for bodegas and other small stores. Allows all other retailers in NYC to accommodate high-volume returns during the window of time that is most convenient for them.</p>
<p><b>Incentives for Redemption Centers</b></p>	<p>The container handling fee required under the existing law has had the unanticipated effect of spurring new businesses and charities across the state that redeem empty containers, but do not sell beverages. Many stores have registered as redemption centers in order to take back containers of products they do not sell.</p>	<p>Increases the handling fee from 2 cents to 3.5 cents. Expands the law to include more containers. Makes non-profit and municipally-run redemption centers eligible for state assistance payments through the EPF. Makes for-profit redemption centers eligible for financial and technical assistance through the New York State Waste Prevention Program. Provides an incentive for retailers in New York City to assist with the creation or expansion of redemption centers (see “retailer requirements,” above).</p>	<p>All of these changes, in particular the increased handling fee, will help redemption centers grow and expand in New York State. This would encourage small business development, create more jobs, ease the burden on retailers, and expand consumers’ options for redeeming empty beverage containers.</p>

\* The Department of Budget projects that the unclaimed deposits would total \$100 million a year, based on annual redemption statistics reported to the N.Y.S. Department of Environmental Conservation (DEC). The Container Recycling Institute estimates actual unclaimed deposits could reach \$237 million annually, based on both DEC redemption statistics and beverage industry data, according to an unpublished report. Governor Spitzer has included \$25 million in revenue from unclaimed deposit in his executive budget, assuming 3 months of revenue during the fiscal year (January 1<sup>st</sup>, 2008 – March 31<sup>st</sup>, 2008).

\*\* According to the DEC’s redemption statistics from 2004-2005; the actual numbers are likely much higher.