



February 15, 2023

House Committee on Environment and Energy  
Vermont State House  
115 State Street  
Montpelier, VT 05633

**RE: H.158, An Act Relating to the Beverage Container Redemption System**

Dear Chair Sheldon, Vice Chair Sibilica, and Members of the House Committee on Environment and Energy:

Thank you for the opportunity to testify in support of H.158, An Act Relating to the Beverage Container Redemption System. This testimony is submitted on behalf of Conservation Law Foundation (“CLF”).

CLF is a non-profit member-supported, environmental advocacy organization working to conserve natural resources, protect public health, and build healthy communities here in Vermont and throughout New England. Through the Zero Waste Project, CLF aims to improve waste diversion and recycling programs and protect communities and our environment from the dangers of unsustainable waste management practices.

CLF strongly supports H.158, which would provide long-awaited updates to Vermont’s current container deposit law, known as the “Bottle Bill”. Bottle Bills are highly effective at increasing recycling rates, improving the quality and lifecycle of recycled materials, and lessening our reliance on polluting landfills. Vermont’s container redemption system has been a success, but H.158 will broaden the Bottle Bill’s impact by covering more containers and improving its efficacy.

**I. Bottle Bills are Effective and Proven Environmental Solutions**

Bottle Bills incentivize recycling. People who purchase beverage containers covered by a Bottle Bill have a financial incentive to return them to redemption centers for recycling. This incentive has been proven to work. According to the Container Recycling Institute, states with container deposit laws or Bottle Bills recycled aluminum, polyethylene terephthalate (“PET”), and glass at a rate of 77%, 57%, and 66% respectively.<sup>1</sup> Conversely, states without container deposit laws recycled these materials at much lower rates, 36% for aluminum, 17% for PET, and 22% for glass.<sup>2</sup> This means that states with container deposit laws recycle at almost twice the rate of recycling as

<sup>1</sup> 2019 Beverage Market Data Analysis, Container Recycling Institute. Available at [https://www.container-recycling.org/index.php?option=com\\_content&view=article&id=730&Itemid=1372](https://www.container-recycling.org/index.php?option=com_content&view=article&id=730&Itemid=1372).

<sup>2</sup> *Id.*

states that do not. Increased recycling also means less litter across Vermont’s roadways, parks, rivers and more. States that have Bottle Bills on average see beverage container litter drop by 70 to 84%.<sup>3</sup> Container redemption systems are straightforward solutions that consistently produce results.

Container redemption systems also result in sorting cleaner materials, which can be recycled more effectively, safely, and for a higher value. With single-stream recycling, people regularly combine unrecyclable materials with the recyclable ones. Consequently, “the entire stream becomes contaminated, and the effort required to re-separate those materials far outweighs the economic value of the resulting recycling stream so that recycling companies understandably choose not to do it.”<sup>4</sup> Notably, 25% of what consumers put into single-stream recycling bins is too contaminated to be recycled at all, and ultimately ends up in landfills.<sup>5</sup> Bottle Bills solve this issue. They offer the route of least contamination for recycling aluminum, glass, and plastic beverage containers; in turn these containers can be truly recycled, and not wind up in a landfill.

In diverting more materials from landfilling, Vermont’s Bottle Bill and its expansion promote the State’s Climate Action Plan’s goals to reduce greenhouse gas emissions and achieve net zero emissions by 2050 across all sectors.<sup>6</sup> Municipal solid waste (“MSW”) landfills are the third-largest source of human-related methane emissions in the United States, accounting for approximately 14.5% of these emissions in 2020. The methane emissions from MSW landfills in 2020 were approximately equivalent to the greenhouse gas (“GHG”) emissions from about 20.3 million passenger vehicles driven for one year or the CO<sub>2</sub> emissions from nearly 11.9 million homes’ energy use for one year.<sup>7</sup> In sum, the more effective a Bottle Bill, the more it can contribute to reducing GHG emissions, by increasing landfill diversion and helping Vermont meet its climate targets.

## II. H.158 Provides Necessary Updates to Vermont’s Bottle Bill

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<sup>3</sup> Litter Studies in Bottle Bill States, Bottle Bill Resource Guide. Available at <https://www.bottlebill.org/index.php/benefits-of-bottle-bills/litter-studies-in-bottle-bill-states>.

<sup>4</sup> John Langhus, Testimony in Support of H. 158, Putney Road Redemption Center, 3, Feb. 8, 2023.

<sup>5</sup> Maggie Koerth, The Era of Easy Recycling May be Coming to an End, FiveThirtyEight (Jan. 10, 2019).

<sup>6</sup> Vermont Climate Action Plan, 38-39, Dec. 2021. Available at, <https://toolkit.climate.gov/reports/vermont-climate-action-plan#:~:text=Achieve%20net%20zero%20emissions%20by,Vermont%20communities%20and%20natural%20systems>.

<sup>7</sup> Basic Information about Landfill Gas, Environmental Protection Agency. Available at, <https://www.epa.gov/lmop/basic-information-about-landfill-gas>.

Vermont's Bottle Bill has been a critical component of the State's environmental and recycling progress, and H.158 will ensure that we build on the success of the container redemption system to meet the needs of the current economy and beverage container realities.

Since its enactment over 50 years ago, the Bottle Bill has largely remained the same. But when the Bottle Bill was enacted in 1972, non-carbonated single-serve beverages did not exist. Non-carbonated drinks now make up half of the State's beverage market, and the Bottle Bill does not cover them.<sup>8</sup> Moreover, despite years of inflation, the handling fee has not been meaningfully changed to account for the burden non-commingled brands create on the redemption system. As a result, the system is not operating as effectively as possible. For this reason, CLF strongly supports H.158 as it will expand the scope of Vermont's Bottle Bill to cover almost all beverages other than dairy products, increase the handling fee for non-commingled containers, and help ensure access to efficient redemption centers throughout the state.

#### A. Expanding the Scope of Covered Containers

Currently, only about half of beverage containers sold in Vermont are covered by the Bottle Bill program.<sup>9</sup> As a result, thousands of tons of readily recyclable beverage containers are not being recycled through this proven and effective system. H.158 would expand the scope of beverages covered under the program to include virtually all beverages, with a few exceptions such as dairy products and baby formula. As a result, most beverage containers sold in Vermont would be eligible for redemption under the Bottle Bill program. This will significantly increase the state's recycling rate and provide a clean stream of high-quality recycled material that can be used in the manufacturing of new beverage containers.

For context, over thirty years ago Maine expanded its Bottle Bill program to cover all beverage containers sold in the state besides dairy products. As a result, 92% of all beverage containers sold in Maine are now redeemable.<sup>10</sup> Expanding the scope of redeemable beverages in Vermont will bring the State's proven container redemption system to new levels of success.

#### B. Increasing the Handling Fee

H.158 would also increase the handling fee for all non-commingled containers from 4 cents to 5 cents per container. The handling fee helps cover the cost associated with collecting, sorting, and packaging empty beverage containers so that they can be taken back to the distributor for recycling. The handling fees are paid by the beverage distributors to support Vermont's networks

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<sup>8</sup> Susan Collins, [Testimony in Support of H. 175](#), Container Recycling Institute, 1, March 09, 2021.

<sup>9</sup> Susan Collins, [Testimony in Support of H. 175](#), Container Recycling Institute, 1, Feb. 25, 2021.

<sup>10</sup> Container Recycling Institute, [Redemption Rates and Other Features of 10 U.S. State Deposit Programs](#). Available at [https://www.bottlebill.org/images/PDF/Bottle%20Bill%2010%20states\\_Summary%201.11.21.pdf](https://www.bottlebill.org/images/PDF/Bottle%20Bill%2010%20states_Summary%201.11.21.pdf).

of redemption centers and compensates them for collecting and sorting the containers they collect.

Beverage companies can choose to enter commingling agreements, which allows their beverage containers to be sorted with other brands. This allows redemption centers to sort the materials by type and size, rather than by beverage brands. Because this process is quicker and more efficient, the handling fee for these containers is lower. Conversely, beverage companies that have not joined commingling agreements require that their beverage containers be sorted separately from all other brands. Given that this increases the time and effort of sorting the separate containers, the fee is higher. Raising the handling fee for non-commingled containers will create a stronger financial incentive for companies to join commingling agreements and will help sustain redemption centers across the state until the Producer Responsibility Organization (discussed below) is up and running. Lessening the burden on Vermont's redemption centers will be especially important as the scope of covered containers increases.

### C. Establishing a Producer Responsibility Organization

H.158 requires that any beverage manufacturer or distributor participates in a Producer Responsibility Organization (“PRO”) that would both make the State’s sorting processes more efficient and help provide all Vermonters with equitable access to redemption centers. The bill requires any PRO to submit a plan ensuring that Vermonters have convenient opportunities to redeem beverage containers and that collection points are placed in areas of high population density. A PRO must make sure Vermonters can redeem bottles by driving less than 15 minutes, and that each county has at least three points of redemption; such measures will make sure it is easy and realistic for consumers to redeem beverage containers, thus increasing the overall redemption rate and meeting the needs of an expanded scope of covered containers. Moreover, under H.158, a PRO must minimize the sorting of containers at redemption centers and eliminate brand sorting, which is the more costly and time-consuming labor that redemption centers are forced to engage in. In short, H.158 wisely creates additional infrastructure for Vermont’s container redemption system to permit the Bottle Bill to function more effectively than it does now while still having a broader impact.

### **III. Two Proposed Amendments**

While strongly supporting H. 158, CLF has two proposed amendments that will improve H.158’s efficacy. Firstly, CLF recommends applying the Bottle Bill’s current 15-cent deposit value for liquor bottles to wine bottles. As drafted, H.158 would require the Secretary of the Agency of Natural Resources to submit a report on the benefits of including wine bottles in the container redemption system, along with a study on how much the deposit amount for wine bottles should be. Neither step is necessary. Wine bottles are similar in size and thickness to spirits containers, which are already covered by the Bottle Bill at a 15-cent deposit value. As the Glass Packaging

Institute stated in their testimony on H.158 last week, “there is no need to study the redemption value of wine bottles...they are the same as spirits bottles.”<sup>11</sup> Research has shown that when deposit values increase, redemption rates do as well.<sup>12</sup> Glass is a particularly beneficial material to recycle as it has potential for an unlimited lifecycle, when placed in an uncontaminated recycling stream, which the container redemption system supplies.<sup>13</sup> Thus, encouraging glass container redemption is a logical use of resources. A 15-cent deposit value for wine bottles would incentivize Vermonters to add their wine bottles to the uncontaminated stream of redeemable containers and make Vermont’s Bottle Bill that much stronger.

In addition, CLF urges the committee to amend H.158 to include an “enforcement mechanism” that would secure the modernized Bottle Bill’s effectiveness. As currently written, H.158 establishes admirable target redemption rates, but these goals are merely illusory unless there are mechanisms in place to enforce reaching these targets. Specifically, for each consecutive two-year period that the target redemption rate is not hit, there should be an automatic 5-cent increase in the container deposit values. This tactic was tested in Oregon with great results. In 2011, the Oregon legislature decided that if their redemption rate fell below 80 percent, the 5-cent bottle deposit would double.<sup>14</sup> In 2014 and 2015, the redemption rate averaged 66%, so in 2017 Oregon’s provision kicked in, and the deposit went up to 10 cents.<sup>15</sup> Accordingly, in 2018 the recycling rate for containers covered by Oregon’s Bottles Bill was 90%.<sup>16</sup> Since H.158 does not immediately raise the deposit value for any containers, this safeguard of an automatic deposit increase would at least ensure that if Vermont’s redemption rates later fall short for two years in a row, there is a prescribed remedy to the system.

### III. Conclusion

Modernizing Vermont’s bottle bill will help ensure that the state’s most successful recycling program is capturing more beverage containers which will increase recycling, reduce litter, advance Vermont’s Climate Action Plan, and save the capacity of the state’s only operating landfill. The State of Maine is considering bills this legislative session that would modernize

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<sup>11</sup> Scott DeFife, [Testimony in Support of H. 158](#), Glass Packaging Institute, 3, Feb. 08, 20223.

<sup>12</sup> Container Recycling Institute, [New Data Shows that 2021 Beverage Container Redemption Rates in Most U.S. Bottle Bill States Did Not Return to Pre-COVID Levels](#), 2-3, July 6, 2022. Available at, [https://d12v9rtnomnebu.cloudfront.net/diveimages/Press\\_release\\_on\\_redemption\\_rates\\_for\\_2021\\_with\\_chart\\_final.pdf](https://d12v9rtnomnebu.cloudfront.net/diveimages/Press_release_on_redemption_rates_for_2021_with_chart_final.pdf).

<sup>13</sup> Glass Recycling Facts, Glass Packaging Institute. Available at, <https://www.gpi.org/recycling#:~:text=The%20life%2Dcycle%20of%20glass,400%20year%20record%20of%20safety.>

<sup>14</sup> [Enrolled House Bill 3145](#), 76<sup>th</sup> Oregon Legislative Assembly, 2011 Regular Session.

<sup>15</sup> Talia Richman, Oregon Bottle Deposit Will Go From Nickle to Dime Next Year, Oregon Live. (Jan 9, 2017). Available at [https://www.oregonlive.com/portland/2016/08/oregon\\_bottle\\_deposit\\_will\\_go.html](https://www.oregonlive.com/portland/2016/08/oregon_bottle_deposit_will_go.html).

<sup>16</sup> Cassandra Profita, Oregon Bottle System Hits 90 Percent Redemption Rate, OPB. (Jan. 18, 2019). Available at <https://www.opb.org/news/article/oregon-bottle-deposit-redemption-rate-2018/>



Maine's Bottle Bill through a similar approach as H.158 takes, including maintaining a minimum redemption rate, increasing the handling fee, and ending brand-sorting. These are logical measures that meet the needs of the current beverage container landscape and our modern-day economy.

Decades of evidence have proven that Bottle Bills work. CLF wants to see Vermont's recycling system run as effectively as possible, and thus we support H.158, with the proposed amendments discussed herein.

Thank you for your time and consideration of this testimony.

Respectfully submitted,

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