



## Anticipated revenues from unclaimed deposits

There are two main data points to consider regarding the unclaimed Bottle Bill deposit language in S.285. One is the estimated redemption rate. The other is about the number of containers sold each year covered by the Bottle Bill.

1. **Redemption Rate.** A report done for ANR in 2013 by DSM Environmental contains the estimate that nearly everyone uses at this point. DSM estimated a **75% redemption rate.** (*"Systems Analysis of the Impact of Act 148 on Solid Waste Management in Vermont"* Oct. 2013, p.46.)
2. **Sales Data for Bottle Bill Containers.** The DSM report cited above contains an estimate of total sales of Bottle Bill-covered containers to be 326 million containers. More recent analysis from Container Recycling Institute (using 2015 sales data) also estimates total sales in Vermont of Bottle Bill beverages to be just over 300 million annually.

If you use the round number of 300 million containers sold in 2015 for demonstration purposes, we can easily estimate the amount of the unclaimed deposits by multiplying 300 million by .05 (nickel for each) and then subtracting 75% (since 75% are returned for deposit).

Using the figures above, you'd get a figure of 15 million multiplying 300 million by .05. That's the total value of deposits. Then subtract the 75% given back to consumers and you have **\$3,750,000** left. That's what the annual value of unclaimed deposits should be in Vermont, using the best available data.

Container Recycling Institute points out that for various reasons, including an under-reporting of sales by the beverage distributors as has been found elsewhere, we might initially expect a 75% collection rate for the escheats the state is entitled to. So, to be conservative, we could reduce that \$3.75 million figure by another 25%, resulting in **\$2,812,500 for an estimate of annual unclaimed deposits in Vermont.**

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CRI used the following info regarding **sources** for their **data on beverage sales**:

- Beer sales data comes from the **Beer Institute**, and is available on a state-by-state basis. Similarly, liquor sales data are from the **Distilled Spirits Council of the United States, DISCUS**, also available on a state-by-state basis.
- Data on soda sales and sales of sparkling water are purchased by CRI from the **Beverage Marketing Corporation**. Regional sales data are apportioned to each state by population percentages.
- Altogether, an estimated 300 million deposit beverage containers were sold in Vermont in 2015, according to the Container Recycling Institute.