### **Bottle Bill Overview**

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### 10 V.S.A. Chapter 53 : Beverage Containers; Deposit-redemption System

- Commonly called Vermont's "Bottle Bill"
- Anti-litter law
- took effect in 1973
- Carbonated non-alcoholic beverages; beer; malt beverages; wine coolers; spirit added beverages; and liquor are subject to the bottle bill.



## 10 V.S.A. Chapter 53 : Beverage Containers; Deposit-redemption System

- Deposit is 5 cents per container except for liquor which has a deposit of 15 cents per container.
- Handling fee is \$0.035 per container if in comingling; \$0.04 per container if not in comingling.
- Unclaimed deposits (escheats) revert to the State. Fund clean water efforts.



#### **VERMONT'S BOTTLE BILL:** How the money flows

#### PRODUCT SALE

#### **DEPOSIT INITIATOR**

(BEVERAGE MANUFACTURER / DISTRIBUTOR)

- Charges retailer 5¢ deposit per container
- May charge handling fee to retailer (typically 3.5-4¢, not required by law)

(at this point, Deposit Initiator is holding 5¢ deposit plus any handling fee charged\*)

#### **RETAILER**

- Charges customer/consumer 5¢ deposit per container
- · May pass handling fee on to consumer

(at this point, retailer is even)

#### **CONSUMER**

 Pays 5¢ deposit per container when purchasing, along with any handling fee passed on by retailer

(at this point, consumer has paid 5¢ deposit, plus any handling fee passed along by retailer)

#### **CONTAINER RETURN**

#### CONSUMER

· Returns container to redemption center or retailer

#### RETAILER

(RETAILER / REDEMPTION CENTER)



• Pays 5¢ deposit per container to consumer

· Gets back 5¢ deposit per container

Pays 5¢ deposit per container to consume

(at this point, retailer is out 5¢ deposit per container and has incurred handling costs)

#### **DEPOSIT INITIATOR**

(BEVERAGE MANUFACTURER / DISTRIBUTOR)

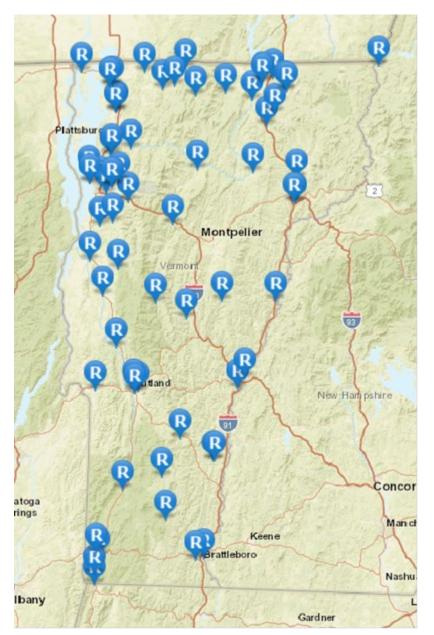
- Pays retailer 5¢ deposit per container
- · Pays retailer 3.5-4¢ handling fee per container

(at this point, retailer is even; deposit initiator is even if handling fee was passed on to consumer)



<sup>\*</sup>Although not required by law, most beverage manufacturers/distributors pass the per container handling fee (3.5¢ for commingled brands, 4¢ for non-commingled brands) on to the retailers, who pass it on to the consumers, so that consumers are paying the costs associated with recycling.

# Map Of Certified Redemption centers





### **Redemption & Recycling Rates**

- Data from the Department of Taxes shows a redemption rate of around 72% for the last several years.
- 2023 waste composition study shows 72.1% recycling rate for mandated recyclables
- Bottle Bill containers are 0.8% of landfilled waste according to the 2023 waste composition study so most of the 25% unredeemed are recycled through the "blue bin" system.
- From 2020-2022, 76% of non-liquor bottle bill containers were redeemed (according to escheats remittance filings to VT Tax)



### **Bottle Bill; Current State**

- No bottle bill resources are dedicated to support the administration of the system.
- No one oversees the system anyone can open a redemption center; there can also be "redemption deserts" with no redemption opportunities.
- There is some coordinated collection and management via the comingling agreement.
- H. 158 of 2023 proposed numerous enhancements to the Bottle Bill. That bill was vetoed largely because it also included expansion.

DEPARTMENT OF ENVIRONMENTAL CONSERVATION

# Enhanced Bottle Bill; Consumers

- Increased collection opportunities, at least:
  - Three collection locations per county;
  - One collection location per municipality with a population greater than 7,000 persons;
  - Target collection locations to designated municipal centers with higher population density.
- Coordinated education / website for the public by the producer responsibility organization (PRO).



### **Enhanced Bottle Bill; Retailers**

- Retailers with less than 5,000 sq. feet would no longer be required to collect beverage containers.
- Requires the timely pick up of redeemed containers at points of redemption.
- Elimination of brand sorting.
- Requires fair compensation to be negotiated with the point of redemption.



# Enhanced Bottle Bill; Distributors / Manufacturers

- Control and oversight of the bottle bill collection system.
- Ability to make system improvements to lower system costs (e.g. coordinated contracts; technology investments; etc.)
- Ability to decrease waste, fraud, cross border redemption.
- Control over beverage container material(Aluminum and PET) to meet recycled content requirements.



# Enhanced Bottle Bill; Process Efficiency

- Increased program transparency
  - Reporting. Requires more accurate reporting on bottle collection, redemption, and other factors.
  - Program Audit. Requires the PRO to evaluate the system to improve the effectiveness of collection and bottle redemption.
  - Fiscal Audit.

