



BOTTLE BILL ADVISORY GROUP

October 1, 2024

Bureau of Materials Management and Compliance Assurance

TODAY'S AGENDA

- 1. Housekeeping and Logistics**
- 2. Redemption Impacts of a 10¢ Deposit**
- 3. Bottle Bill Program Issues & Observations**
- 4. Open Discussion**
- 5. Next Steps**

HOUSEKEEPING AND LOGISTICS

This meeting is being recorded.

Please remain muted unless you are speaking.

90 minutes are budgeted for today's meeting.

We will have an open discussion after the presentation(s).

Comments regarding CT's Bottle Bill Program can be submitted via email to DEEP.MMCAPlanning@ct.gov.

PURPOSE OF ADVISORY GROUP

- DEEP has received a significant number of questions about Bottle Bill changes and has seen substantial interest from consumers, retailers, distributors and legislators
- DEEP is committed to transparency, predictability, and efficiency in agency processes and has determined that continued stakeholder engagement is warranted and will provide for effective implementation of the Bottle Bill
- DEEP is hosting a series of meetings to engage all stakeholders and legislators in a Bottle Bill Advisory Group to solicit input on the areas of interest and question regarding various components of Bottle Bill implementation
- Meetings are held virtually, noticed in advance and include 1) presentations by DEEP staff and others on relevant issues requiring stakeholder education, engagement or feedback and 2) an opportunity for input from meeting participants



Redemption Impacts of a 10¢ Deposit

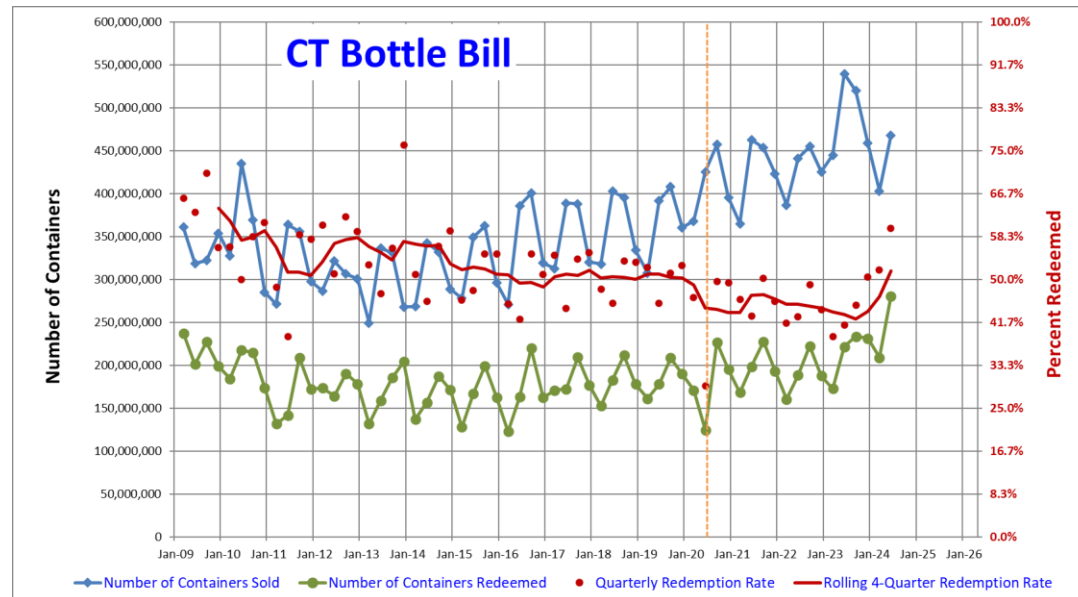
REDEMPTION RATES

- **Public Act 23-204 (Section 373) required that:**
 - (c) Not later than August 1, 2024, and annually thereafter, [DEEP] shall calculate and publish the average state-wide redemption rate for the preceding fiscal year, **calculated as the number of beverage containers redeemed for the deposit divided by the number of beverage containers sold.**
- **No bottle bill data is reported directly to DEEP. Proxy information from CT Dept. of Revenue Services (DRS) is used to estimate redemption rates**
- **DEEP posts updates on redemption information on a quarterly basis on this webpage: [Connecticut Bottle Bill](#)**
- **Using information from CT DRS, DEEP can only estimate statewide redemption rates. DEEP does not have access to any data that would provide further detail on:**
 - Redemption rates at the municipal level;
 - Redemption rates by beverage type;
 - Redemption rates by container type (e.g., glass, plastic, aluminum)

QUARTERLY REDEMPTION RATES

Quarter ending	Total Deposits this quarter (line 2)	Number of Containers Sold	Total Refund Withdrawals (line 5)	Number of Containers Redeemed	Quarterly Redemption Rate	Rolling 4-Quarter Redemption Rate	Fiscal Year / Calendar Year
31-Mar-2023	\$22,223,056	444,461,127	\$8,631,152	172,623,049	38.8%	43.7%	
30-Jun-2023	\$26,966,438	539,328,752	\$11,080,052	221,601,030	41.1%	43.2%	FY 2023
30-Sep-2023	\$25,977,741	519,554,818	\$11,683,453	233,669,062	45.0%	42.3%	
31-Dec-2023	\$22,926,269	458,525,388	\$11,554,085	231,081,709	50.4%	43.8%	CY 2023
31-Mar-2024	\$40,282,254	402,822,542	\$20,895,076	208,950,758	51.9%	46.6%	
30-Jun-2024	\$46,764,092	467,640,920	\$28,032,681	280,326,810	59.9%	51.6%	FY 2024

Quarter	Quarterly Redemption Rate
Q1 2023	38.8%
Q1 2024	51.9%
Q2 2023	41.1%
Q2 2024	59.9%





MODERNIZING CONNECTICUT'S RECYCLING REFUND SYSTEM

STATUS UPDATE / 2024



REFRESHER: CONNECTICUT'S MODERNIZATION SO FAR

Policy

October 2021

- Handling fee increased
- RVM mandate

January 2023

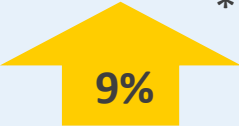
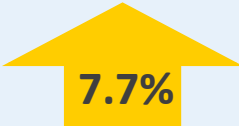
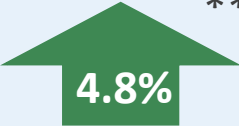
- 5¢ deposits expand to juice, sports drinks, malt-based hard seltzers and ciders, etc.

Impact

- **Doubled the number of active return locations for the public**
- 12 new redemption centers

- At least **48 million more beverage containers redeemed in 2023 v 2022**

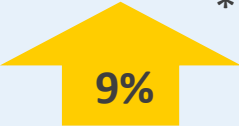
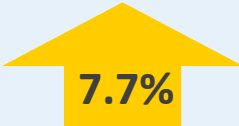
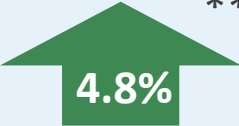

For reference, Oregon’s redemption rate increased 9% in the first year of 10¢

State	Percentage change in <u>redemption rate</u> following 10¢		
	Y1	Y2	Y3
Oregon	 9%	 7.7%	 4.8%

*Increased deposit value on April 1 2017

**Expanded to hard seltzer and kombucha Sept 2019

Connecticut's redemption rate increased 10% in Q1 of 10 cents

State	Percentage change in <u>redemption rate</u> following 10¢		
	Y1	Y2	Y3
Oregon	 9% [*]	 7.7%	 4.8% ^{**}
Connecticut	 10% (Q1 only)		

*Increased deposit value on April 1 2017

**Expanded to hard seltzer and kombucha Sept 2019

In CT, redemption volume has increased about 30% Year to Date compared to last year



Increase in redemption
volume Jan – June 2023
v 2024

Percentage Increase in Redeemed Deposit Containers 2023 v. 2024									
Locations	Jan	Feb	Mar	Q1	Apr	May	Jun	Q2	Jan-June
Envipco RVM	+ 7%	+ 21%	+ 21%	+ 16%	+ 39%	+ 37%	+ 35%	+ 37%	+ 28%
TOMRA RVM and TOMRA manual pickups	+ 9%	+ 24%	+ 17%	+ 17%	+ 32%	+ 44%	+ 54%	+ 44%	+ 32%

Does not include most Beer containers redeemed at manual redemption centers.

THIS AMOUNTS TO AN ADDITIONAL 109 MILLION REDEEMED BEVERAGE CONTAINERS IN 2024 (AS OF JUNE)

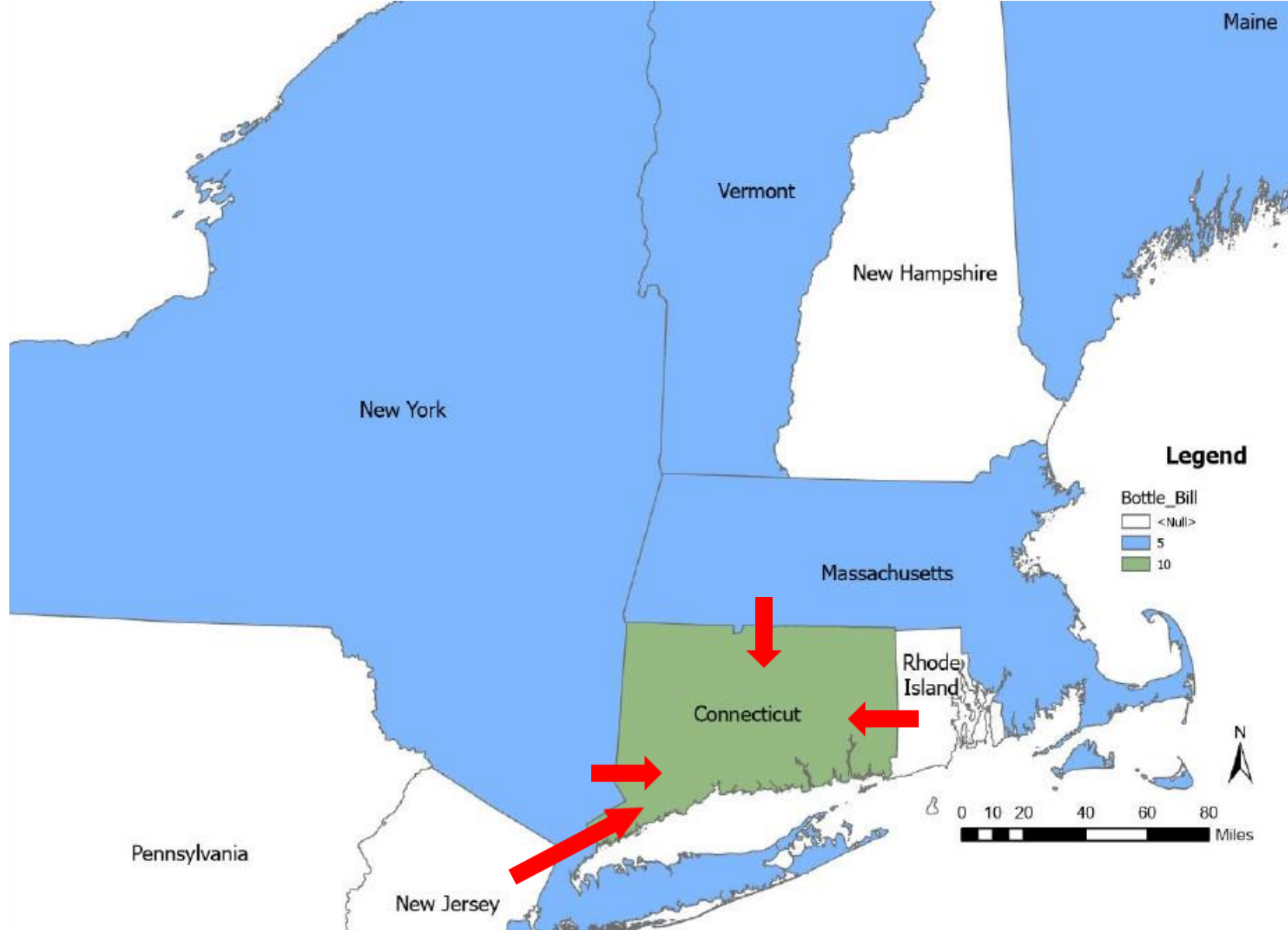
If laid end-to-end, that's
enough to cover the entire
east and west coastlines
more than 4x



CROSS-BORDER REDEMPTION

- **In Connecticut, cross-border redemption happens when beverage containers not sold to consumers in CT (and for which no initial deposit in CT is paid) are redeemed in CT for the deposit amount.**
 - **Example: Soda containers sold in RI with CT deposit labeling are redeemed in CT**

CROSS-BORDER FLOW – CT WITH 10-CENT DEPOSIT



CT STAKEHOLDERS NEGATIVELY IMPACTED BY CROSS-BORDER REDEMPTION

- **State of CT:** Portion of the pool of unclaimed deposits that goes to the state's General Fund is reduced
- **Beverage Distributors:** Portion of the pool of unclaimed deposits that goes to distributors is reduced
- **Beverage Distributors:** Must pay handling fees for all containers redeemed in CT
 - Beer, hard seltzer, hard cider, other malt beverages - 2.5¢, All other covered beverages - 3.5¢
- **CT Retailers:** Extra burden on bottle return rooms, especially those closest to state borders. More potential RVM downtime for regular customers if machines fill too quickly.

REDEMPTION OF OUT-OF-STATE BEVERAGE CONTAINERS

P.A. 24-2: Section 22a-245 of the general statutes is amended by adding subsections (g) and (h) as follows (Effective from passage):

(NEW) (g) Notwithstanding the provisions of subsections (b) to (d), inclusive, of this section, **no person shall tender** to a dealer, redemption center, reverse vending machine, distributor or deposit initiator for the purpose of obtaining a refund value or handling fee for **any empty beverage container that the person knows or has reason to know was not originally sold in this state** as a filled beverage container **or that was previously redeemed** through a dealer, redemption center, reverse vending machine, distributor or deposit initiator.

(NEW) (h) **Each dealer, redemption center or reverse vending machine operator shall post** where empty containers are redeemed **a conspicuous "Redemption Warning" sign** using at least a one-inch font that states the following: **"Returning empty beverage containers for refund that were not purchased in Connecticut or that were previously redeemed is illegal. Any person who returns empty beverage containers that the person knows or has reason to know were not originally sold in this state as filled beverage containers or that were previously redeemed shall be subject to fines and state enforcement action. Connecticut General Statutes section 22a-245."**

CT DEEP ENFORCEMENT CONSIDERATIONS

- **The Department allocates its limited enforcement resources first to those violations that present a risk to human health or an immediate risk to the environment.**
- **Gathering the types of data necessary to bring a successful enforcement action – in which the Department would be required to prove that specific containers were actually purchased out of state (and not just physically located out of state at some point prior to redemption) – is challenging without state-specific labelling, and would require significant enforcement tools and resources.**
- **Many bottle bill enforcement mechanisms are between the private parties engaged in the work, rather than requiring involvement by the Department (e.g., the requirements to produce certifications regarding where containers were redeemed)**



Bottle Bill Program Issues & Observations

FIELD OBSERVATIONS: RETAIL COMMUNITY

- Heavy traffic at retailer Reverse Vending Machines (RVMs) in border communities, especially lower Fairfield County
 - Continued need for redemption options/redemption center in that region
- Signage at retailers – 240 limit on redemptions at any one time (PA 23-76)
- Cross-border fraud at retail level – most complaints coming from retailers bordering NY, with some in MA/RI
 - Retailers reluctant to enforce cross-border suspicious activity – don't want to put staff in harm's way.



FIELD OBSERVATIONS: REDEMPTION CENTERS

- Experienced high volume and some pick-up issues throughout the summer but has leveled off
- Consumer/canner complaints about redemption centers refusing containers labeled with “CTRV” (CT Redemption Value)
 - No distributor pickup, especially for craft beers
 - Some beverage containers erroneously marked CTRV
- Legislation states that a redemption center can determine which containers it will handle and whether it will serve all persons or specific dealers.
- Cross-border fraud/enforcement – most redemption centers have signage (PA 24-2)



FIELD OBSERVATIONS: LABELING ISSUES

- **Education for CTRV labeling - some consumers just now understanding the meaning of CTRV**
- **Items marked with CTRV that are NOT deposit containers**
- **Spirit-based ready-to-drink (RTD) beverages incorrectly labeled with CTRV**

SPOTLIGHT ON REDEMPTION ISSUES

- **Craft Beer container redemption issues - most craft beers are self-distributing and cannot be redeemed at a redemption center**
 - Providing outreach and education to breweries to help them educate customers
- **Flattened containers rejected by RVMs brought into customer service for redemption**
 - Possibility that such containers have been previously redeemed





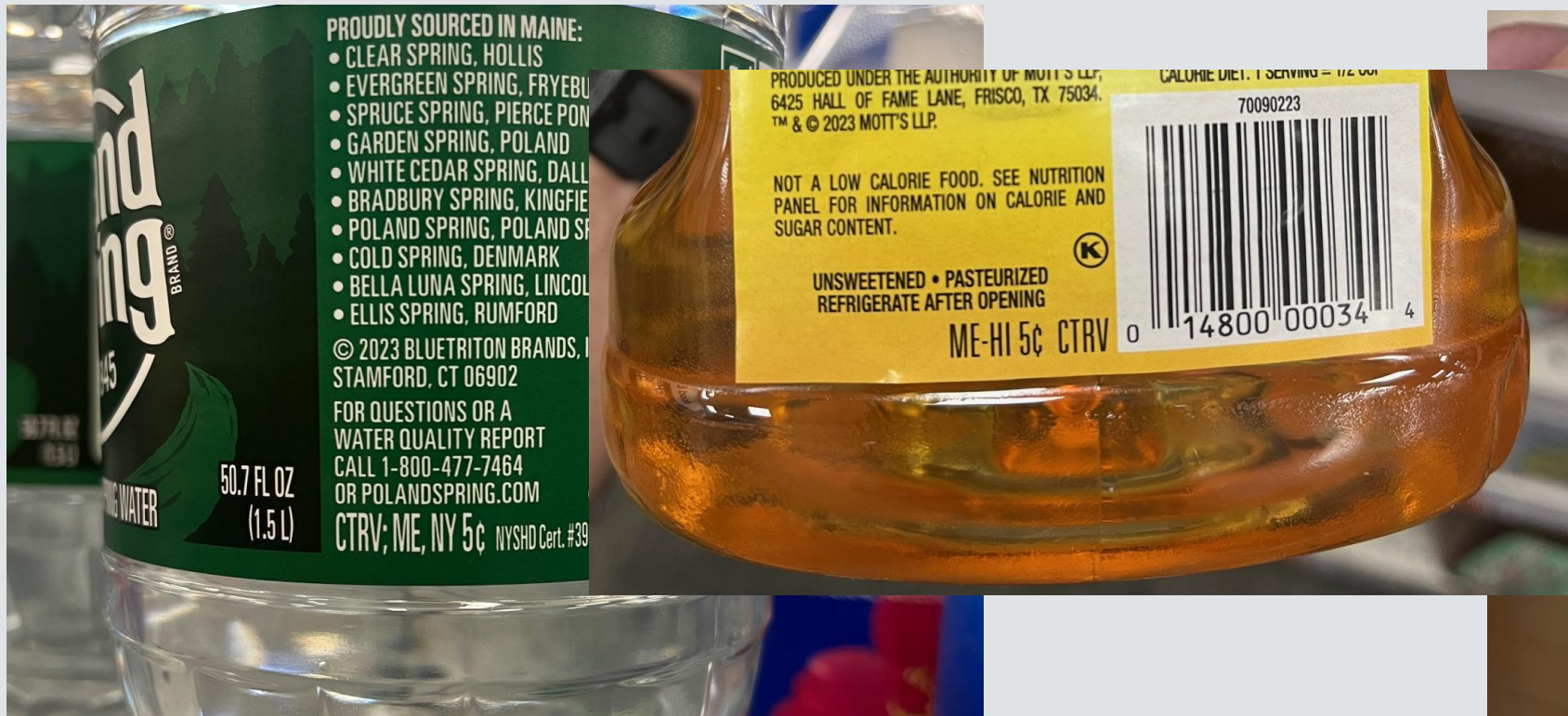
MODERNIZING CONNECTICUT'S RECYCLING REFUND SYSTEM

STATUS UPDATE / 2024



Barriers to increased recycling: “CTRV” label

The CTRV label is confusing for most – and in many cases appears as 5¢



Additional likely barriers to higher redemption rates

240 limit at retailers



240 container limit per person at any one time
At store's discretion per state law (Public Act 23-76).
RecyclingMakesCentsCT.com

Lack of public education

“It is also imperative that consumers are made aware of the changes to the law. The Department, in conjunction with this order, will work with manufacturers and retailers to execute a campaign to educate consumers on the new types of beverages covered by the bottle bill and the correct redemption value.”

– DEEP CTRV Order

“On and after January 1, 2024, each distributor and dealer shall undertake efforts to educate consumers of the ten-cent redemption value for beverage containers.” - Sec. 22a-245f.

A stylized, colorful landscape illustration. At the top right, a bright yellow sun is partially visible. Below it, a large green hill with a dark blue outline dominates the middle ground. To the left, a smaller, lighter green hill is partially visible. At the bottom, a light blue area represents water, also outlined in dark blue. The overall style is simple and graphic.

5¢ Fee on Miniatures

PAYMENTS TO MUNICIPALITIES FROM FEES ON MINIATURE ALCOHOL BOTTLES

Payment summaries are posted on this DEEP webpage:

<https://portal.ct.gov/DEEP/Reduce-Reuse-Recycle/Bottles/Bottle-Bill-Stakeholder-Process>

(Scroll down to the “Payments to Municipalities from Fees on Miniature Alcohol Bottles” section of the page)

- [Payments to towns for 10/01/21-03/31/22](#)
- [Payments to towns for 04/01/22-09/30/22](#)
- [Payments to towns for 10/01/22-03/31/23](#)
- [Payments to towns for 04/01/23- 09/30/23](#)
- [Payments to towns for 10/01/23-03/31/24](#)

- **Payments to towns for 04/01/21-09/30/24 - Coming Soon**

REMINDER: Miniatures are not part of the CT Bottle Bill Program – the 5¢ fee collected is not a deposit

A stylized, colorful landscape illustration. The top right corner features a bright yellow sun. Below it is a large green hill with a dark blue outline. The bottom of the image shows a light blue area representing water, also with a dark blue outline. The text "Open Discussion" is centered on the green hill.

Open Discussion

The background features a stylized landscape with a yellow sun in the top right, a large green hill in the middle, and a light blue body of water at the bottom. All elements are defined by thick, dark blue outlines. The text "Next Steps" is centered on the green hill.

Next Steps

NEXT STEPS

- **Next meeting: TBD**
- **Bottle Bill Advisory Group email list – migrating to a new newsletter platform, new sign-up page will be shared soon**
- **Question and/or feedback can be submitted via email to DEEP.MMCAPlanning@ct.gov**