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UPDATED WITH MAINE DATA

New Data Show That 2022 Beverage Container Redemption Rates in Most U.S. Bottle Bill States Stayed Even or Dropped Compared to 2021

But States Implementing Program Expansions Should See Increases in the Number of Bottles and Cans Redeemed, According to the Container Recycling Institute

CULVER CITY, CA, Aug. 29, 2023 – Beverage container redemption rates for 2022 in seven of the nine U.S. bottle bill states with available data either dropped or remained within +/-1% compared to 2021, according to data released today by the Container Recycling Institute (CRI), a national nonprofit recycling industry authority. Oregon and Maine are the only states that saw a noticeable increase from 2021 to 2022.

Of the 10 deposit states, all but Iowa have currently available data. Overall findings from CRI's data compilation include the following (see the chart at the end of this document for complete details):

Deposit State(s)	Redemption Rate Change from 2021 to 2022			
Michigan, California, New York, Massachusetts,	No change or +/-1%			
Connecticut				
Vermont	Decrease of 6%			
Hawaii	Decrease of 4%			
Oregon	Increase of 5%			
Maine	Increase of 3%			

CRI President Susan Collins said, "Stagnant or dropping redemption rates point to the need for program modernizations – such as higher container deposit amounts, coverage of more beverage types, and additional convenient options for consumers to return bottles and cans. Several bottle bill states still do not include deposits on noncarbonated drinks, including bottled water – sales of which have skyrocketed since the deposit return systems were implemented in the 1970s and '80s."

She also noted that program modernizations passed in California and Connecticut should lead to increases in the volume of bottles and cans redeemed as the new provisions take effect. However, changes in the actual redemption rates – number of containers redeemed as a percentage of number on deposit sold – can lag given the time needed for more consumers to learn about these changes and adjust their behavior to return newly eligible bottles and cans for the deposit refund.

California:

- SB 1013: Adding deposits to wine and distilled spirits (5 cents for containers less than 24 oz. and 10 cents for those 24 oz. or larger) effective Jan. 1, 2024. A CRI analysis indicates this will result in the recycling of more than half a billion additional bottles and cans annually, or more than 300,000 tons of material that had previously been destined for the landfill.
- AB 179 (budget bill): Providing nearly \$400 million in new spending for the bottle bill program, including (among other items) startup funds for recycling and processing centers, and extra funding for bag drops, mobile recycling and reverse vending machines (RVMs).

In addition, the California State Senate has passed a bill (SB 353) to add 100% fruit juices and vegetable juices to beverages on deposit. If it is held over until 2024 (the second year of the state's current two-year legislative cycle), it still must go through several steps in the legislative approval process. According to CRI's analysis, passage of this bill would place a deposit on an estimated 188 million new containers, in addition to the 18.4 billion existing containers covered.

Connecticut (SB 1037 for all items):

- Added deposits to noncarbonated beverages, hard cider and malt-based hard cider effective Jan. 1, 2023, for a 13% increase in overall beverage unit coverage.
- Provided a handling fee increase for retailers and redemption centers, which generated enough
 revenue to encourage the opening of new centers, plus funding for retailers to install RVMs. The RVM
 mandate at certain chain stores resulted in more than 300 new redemption locations in the state.
- Increasing the deposit amount on eligible containers from 5 cents to 10 cents effective Jan. 1, 2024.
 In 1980, when Connecticut's bottle bill took effect, a nickel was worth what about 20 cents is today. A nickel is clearly no longer an adequate incentive for container returns. When Oregon increased its deposit from 5 to 10 cents, the redemption rate climbed 22% in just three years.

Significant bottle bill reforms also are occurring in Maine. The 2023 passage of LD 134 increased the handling fee for redemption centers to keep them financially viable. Another new law, LD 1909, will streamline the container sorting process for redemption centers; establish a "commingling cooperative" of beverage manufacturers to coordinate the pickup of and payment for redeemed bottles and cans; and redirect unredeemed deposits from beverage companies to a fund used for program improvements.

In addition, in two other bottle bill states – Vermont and Massachusetts – passage of deposit return program modernization legislation remains a possibility.

In Vermont – where the redemption rate dropped 6% from 2021 to 2022 – both the State House of Representatives and State Senate passed legislation (H.158) earlier this year that would expand deposit coverage to most beverage types (at 5 cents), as well as wine at 15 cents. It also would require more redemption centers to serve consumers. Although Gov. Phil Scott vetoed the bill, the General Assembly has the opportunity to override the veto when it reconvenes in January.

Massachusetts continues to sit last among bottle bill states with an extremely low redemption rate of 38%, with one reason being that only 40% of beverage types currently are on deposit. A bill (H.3690) introduced for the 2023-2024 legislative cycle would expand the bottle bill to include more types of beverage containers and increase the deposit from 5 cents to 10 cents. CRI estimates that these upgrades would result in the recycling of more than 3 billion additional bottles and cans annually over and above what is now recycled.

Collins noted it's important to remember that Massachusetts' current disappointing redemption rate is still higher than the U.S. nominal recycling rate of 24% for beverage containers not on deposit, adding that even outdated deposit return systems perform better than non-deposit ones.

U.S. Comparisons to International Deposit Return Systems

Outside of the U.S., the adoption of beverage container deposit return systems (DRS) continues to grow at a skyrocketing pace, as more and more governments recognize these programs' value in dramatically increasing recycling rates, thus helping to address the global plastic pollution and climate crises.

At the end of 2022, approximately 444 million people in 44 jurisdictions across the globe were covered by a DRS. With the expected implementation of already-announced laws, and the potential approval of a packaging regulation covering the entire EU, that number could increase to just over 1 billion by decade's end.

Collins said that most non-U.S. jurisdictions operate programs with higher deposit amounts and more beverage container coverage than U.S. states, adding that these governments do not wait for redemption rates to drop below 60% before upgrading their programs. In the U.S., of the bottle bill states with available data, four have rates at or below the 60% threshold.

By comparison, a look at a handful of international programs shows the following:*

Jurisdiction	Beverages and Container Types Covered	Deposit Amount	Redemption Rate
British Columbia (Canada)	All	CAD 10 cents	76% (2021)
Germany	Most (excluding wines and spirits, certain milk products and infant formula, and excluding cartons and pouches)	EUR 8 cents-25 cents depending on container type	98% (2021)
South Australia	Most (excluding beverages ≥3L, wine in glass containers and a few other small categories)	AUD 10 cents	78% (2021-2022)
Sweden	Aluminum cans and plastic bottles for all ready-to-drink beverages except dairy	Equivalent to USD 9.3 cents for metal cans and for plastic bottles	87% (2022)

Collins said, "Given the success of beverage container deposit return systems worldwide, all signs now point to a national bottle bill in the U.S. becoming a reality. But in the meantime, it's critical to work on the passage, implementation and expansion of state bottle bills to improve recycling rates and further contribute to increases in circularity."

The nonprofit Container Recycling Institute (www.container-recycling.org) is a leading authority on the economic and environmental impacts of used beverage containers and other consumer product packaging. Its mission is to make North America a global model for the collection and quality recycling of packaging materials.

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(See next page for all available beverage container redemption rate data for U.S. deposit states.)

^{*(}For more detailed data on U.S. and international DRS programs, visit <u>www.bottlebill.org</u> and click on "Existing Programs.")

Redemption Rates and Other Features of 10 U.S. State Deposit Programs														
04-4-	2042	2044	2045			ion R					Amount of Deposit	Beverages Covered	% of Beverage Units Sold Covered by Deposit	Estimated Percent of Deposit Beverage Sales Recycled Via Curbside Programs
State Michigan	95%	94%	93%	92%		89%	89%	73%	75%		10¢	- Beer & malt beverages - Carbonated soft drinks, sparkling water, kombucha - Wine coolers & distilled spirits coolers	55%	4%
Maine	90%				84%			76%	75%	78%	Wine & liquor ≥ 50mL: 15¢ All others: 5¢	- All beverages except dairy products and unprocessed cider.	92%	4%
Oregon	71%	68%	64%	64%	73%	81%	86%	77%	81%	86%	10¢	- All beverages except wine, distilled liquor, dairy milk and plant- based milk, and infant formula.	88%	2%
Vermont	76%							78%	78%	72%	Liquor: 15¢ All others: 5¢	- Beer & malt beverages - Carbonated soft drinks & sparkling water - Wine coolers - Liquor	46%	5%
California	74%	71%	72%	72%	68%	66%	67%	62%	59%	60%	<24 ounces: 5¢ ≥ 24 ounces: 10¢	- Beer & malt beverages - Carbonated soft drinks & sparkling water - All other non-alcoholic beverages - Wine coolers & distilled spirits coolers - Excluded: milk, some juices, wine, spirits - Wine and spirits to be added 1/1/2024	88%	Redemption rate reflects direct CRV redemption. Curbside and dropoff programs collected 9.8% of CRV beverage containers sold in CY2022.
Hawaii	74%	71%	67%	65%	62%	63%	63%	62%	62%	58%	5¢	- Beer & malt beverages - Carbonated soft drinks & sparkling water - All other non-alcoholic beverages - Wine coolers & distilled spirits coolers - Excluded: milk, wine, spirits	88%	Deposit containers collected at curbside (in Honolulu only) are included in reported statewide redemption rates; deducted here to show true refund redemption.
New York	62%	64%	65%	66%	65%	64%	64%	64%	70%	70%	5¢	- Beer & malt beverages - Carbonated soft drinks & sparkling water - Bottled water including flavored water - Wine coolers	78%	5%
lowa	78%			65%							5¢	- Beer & malt beverages - Carbonated soft drinks & sparkling water - Wine coolers - Wine & Liquor	63%	2016 recycling rate was 71%. An estimated 6% of containers sold are recycled through curbside & dropoff programs.
Massachusetts	66%	66%	59%	56%	57%	52%	50%	43%	38%	38%	5¢	- Beer & malt beverages - Carbonated soft drinks & sparkling water	40%	10%
Connecticut	57%	53%	51%	49%	52%	50%	50%	44%	46%	45%	5¢ (increases to 10¢ on 1/1/24)	- All beverages except wine, distilled liquor, spirit-based hard seltzers, dairy milk and plant- based milk, and infant formula.	85%	10% rcling Institute, 2023. All rights reserved.