



The New York Water Environment Association, Inc.

The Water Quality Management Professionals

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NYWEA Supports The Bigger, Better Bottle Bill¹ A Portion of the Unclaimed Deposits Should Be Dedicated to Water and Wastewater Infrastructure

By all accounts, [New York's Bottle Bill](#) has been a tremendous success. However, it can be made even more effective at keeping our communities clean and safe. With a few changes the proposed bill could also establish a much needed dedicated funding source for Water and Waste Water projects. The currently proposed "Bigger, Better Bottle Bill" (A.3922/S.1696) that would update New York's law in two simple ways:

1. **Expand New York's Bottle Bill to include deposits on most beverages containers, including bottled water, iced tea, juice and sports drinks.**² Non-carbonated beverage containers make up 62% of the bottles and cans piling up on New York's shorelines, although they account for only 22% of the beverages sold. Expanding the type of containers for which deposits must be paid would divert up to 2.5 billion additional containers each year from New York's waste stream, and would reduce broken glass and other litter by more than 10%.³ Removing these extra bottles and cans will save taxpayers and municipalities the cost of collecting and disposing of them.
2. **Make beverage distributors and bottlers turn over "unclaimed deposits" to the State's Environmental Protection Fund.** This money would be used to fund municipal, recycling and waste prevention programs, municipal water and wastewater infrastructure projects, and other critical environmental needs. Currently, nearly 70% of the deposit containers sold in New York are returned and their deposits redeemed. But the remaining 30% of the deposits that go uncollected are kept by beverage distributors and bottlers - an estimated \$85 to \$137 million in unclaimed deposits each year. Adding the newer types of beverages to the Bottle Bill would raise this amount to \$177 million a year.⁴ Other states, such as Massachusetts and Michigan, treat the unclaimed deposits from their bottle bills as "abandoned public property" and require the beverage industry to turn them over to the State to fund environmental programs. At a time when both state and local governments are facing severe budget crunches, we can't afford to overlook this potential new revenue stream for the environment.

¹ <http://www.nybottlebill.org/campaign.html>

² Infant formula, milk, liquor and wine would be excluded.

³ <http://www.nybottlebill.org/campaign.html>

⁴ NY Assembly Bill Summary A03922

Because much of New York's water and wastewater existing infrastructure (collection and distribution piping, pump stations and treatment systems) needs to be repaired, replaced or modernized in order to continue to protect the public health and the environment or to meet new requirements, NYWEA recommends that the bill explicitly call for a significant percentage of the unreturned deposit monies be used solely for these critical projects.

- New York has a documented \$20 billion wastewater infrastructure investment need. New York's need is the highest of any state in the nation. In fact, its total represents over 10% of the total national need.⁵ New York's estimated drinking water need is over \$13 billion.
- The Federal government's capital investment in public water resources has decreased by 70% over the past 30 years.⁶
- The federal dollars "flowing" to New York's wastewater and water "State Revolving Fund" (SRF) which provides lower interest loans for wastewater infrastructure may decrease in the future, because New York's population is no longer the highest in the country.

Furthermore, because of the critical importance that clean and safe water plays in New York's public and economic health, addressing our growing water and sewer infrastructure problem by finding a predictable source of partial funding for the projects is of critical importance. Without the additional funding from a dedicated source of money, **New York rate and taxpayers will have to add paying significantly higher water and sewer bills to their already strained household budgets.**

Therefore, NYWEA recommends that the proposed Bigger, Better Bottle Bill be modified as to include the following specified distribution of the Unclaimed Deposits:

- Bottlers (and others) will be allowed, upon presentation of the appropriate documentation, to retain no more than 10% of the non-refunded deposits they have collected to cover (or partially cover) their administrative costs related to collecting and accounting for bottle deposits. To retain 5% of the NRD, a bottler must have achieved at least a 75 % return rate. Bottlers who achieve a 95 % or greater return rate can retain 10%, plus they will be eligible to receive an EPF/DEC "high return rate" annual recognition award.
- Thirty-five percent of the non-retained non-refunded deposits ("NNRDs") will be distributed through the EPF to fund municipal recycling and waste prevention programs.
- Thirty-five percent of each year's NNRDs will be placed into a dedicated fund to be used solely for water and wastewater infrastructure projects. This money can be distributed as loans (including 0% interest loans) and/or grants for water or wastewater infrastructure capital improvements and/or Operation & Maintenance reimbursement. **Money from this fund cannot be used as New York's matching share for federal SRF funds.**

⁵ EPA 2000 Clean Water Needs Survey (10/03)

⁶ Progress Report for America's Infrastructure (ASCE) (9/23) www.asce.org

- The remaining 30% will be distributed through the EPF for
 - Solid waste/recycling projects
 - Water/wastewater infrastructure projects
 - Other environmental improvement programs that are directly related to maintaining or improving water quality and/or terrestrial or aquatic habitat protection and improvement.

Money from this fund cannot be used as New York's matching share for federal SRF funds.

For more information, contact:

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Or

Daniel Bentivogli, Chair Government Affairs Committee 716-856-2142

[Not part of NYWEA Position, but Supporting material]

SAMPLE LETTER

Dear Senator _____ or Assemblymember _____:

The Bottle Bill turned twenty last year. It has been New York's most effective recycling and litter control program. But as our consumer habits have changed, so has the variety of beverages that come in small bottles. The Bottle Bill needs to be updated to make it work even harder for New York. We also think that some of this money should be dedicated to improving and repairing the state's water and wastewater infrastructure.

I urge you to support A.3922/S.1696, the "Bigger, Better Bottle Bill", however your support should be conditioned on the Bill being modified to specifically specify that a significant portion of the Non-Refunded deposit money that would be returned to the State under the Bill, be placed in a dedicated fund restricted to water and wastewater infrastructure projects. The attached NYWEA position Statement, provides more detail on the Bill and this proposed amendment. Not only will this bill would expand the Bottle Bill to include beverages such as bottled water, iced tea, juice and sports drinks, which now make up more than 20% of the beverage containers sold in New York. It would also generate over \$100 million a year in badly-needed funding for environmental programs. The State needs over \$20 billion to address these important water and water quality projects. Without the additional funding, New York rate and tax payers will have to add paying significantly higher water and sewer bills to their already strained household budgets.

Sincerely,

Your name
Address

Bill Summary - A03922

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See Bill Text

1. A03922 Summary:

SAME AS Same as Uni. S 1696-A

SPONSOR DiNapoli

COSPNSR Weisenberg, Grannis, Colton, Dinowitz, Cymbrowitz, Englebright,
Clar

Galef, Tonko, Carrozza, Koon, Cohen A, Paulin, Hoyt, Sanders

MLTSPNSR Aubry, Bradley, Brennan, Cahill, Canestrari, Christensen,
Eddington,

Gianaris, Glick, Gottfried, Gromack, Gunther A, Jacobs, Klein,
Lafayette, Lavelle, Lentol, Lifton, McEneny, McLaughlin, Nolan,
O'Donnell, Pheffer, Seddio, Sidikman, Smith, Stringer, Sweeney,
Thiele, Weinstein, Wright

Add SS27-1012 & 54-0704, amd SS27-1003, 27-1009 & 27-1013, rpld & add SS27-
1005

& 27-1007, rpld S27-1011 sub 2, En Con L; amd S92-s, St Fin L

Provides for the mandatory acceptance of empty beverage containers; allows
the

commissioner of environmental conservation to approve state assistance
payments

from deposits of beverage container refund values.

2. A03922 Actions:

02/10/2003 referred to environmental conservation

06/02/2003 amend and recommit to environmental conservation

06/02/2003 print number 3922a

06/10/2003 reported referred to codes

06/17/2003 reported referred to ways and means

01/07/2004 referred to environmental conservation

3. A03922 Votes:

4. A03922 Memo:

TITLE OF BILL: An act to amend the environmental conservation law and
the state finance law, in relation to returnable beverage containers;
and to repeal sections 27-1005, 27-1007 and subdivision 2 of section
27-1011 of the environmental conservation law relating thereto

PURPOSE: To expand the bottle bill to cover all beverages with the
exception of liquor, wine, infant formula and milk; and to provide for
the return of unclaimed deposits on beverage containers to the State
for deposit into the EPF.

SUMMARY OF PROVISIONS: The bill amends the ECL and the State Finance Law to provide for the expansion of the bottle bill and the recapture of unclaimed deposits. Specifically the bottle bill is expanded to cover all beverages, with the exception of liquor, wine, infant formula and milk. Additionally, this portion of the bill would provide for a mechanism by which "deposit initiators" (bottlers, certain distributors and certain retailers) would be required to submit unclaimed deposits to the Department of Tax and Finance quarterly. These monies would be deposited in the Solid Waste Account of the EPF and would be earmarked for use in municipal recycling. The funds would be distributed regionally (by DEC region) proportionally to the amount that came in from each region (i.e New York City unclaimed deposits would be returned to New York City and Long Island deposits would be returned to Long Island).

JUSTIFICATION: The bottle bill has been one of New York's most successful recycling initiatives. Not only has it reduced litter along our roadways and in our public spaces, but it has reduced the burden of solid waste disposal that is shouldered by our municipalities. Nonetheless, since enactment of the bottle bill in 1982, beverages such as bottled water, juices and teas have been introduced into the consumer stream and the containers have been introduced into the waste stream. It is time to update the bottle bill to include these new products, and this bill will accomplish that.

As municipalities across the state struggle financially, it is time to dedicate the unclaimed deposits to support municipal recycling in New York State. Right now the bottlers and distributors who initiate the deposit collection system enjoy a five-cent windfall for each container that is not returned. This bill would return those unclaimed deposits, which currently total at least \$85 million annually, to the people of the State for the purpose of recycling. As municipalities receive additional funding for recycling, it will bolster their efforts to ensure that curbside programs are effective.

LEGISLATIVE HISTORY: 2002: A. 11442 - referred to Environmental Conservation

FISCAL IMPLICATIONS: DEC's estimate of the current amount of unclaimed deposits is \$85 million annually. The Container Recycling Institute (CRI) estimates that unclaimed deposits in New York State actually total \$137 million and that under an expanded bottle bill there would be \$177 million in unclaimed deposits. These monies would be deposited in the Solid Waste Account of the Environmental Protection Fund.

EFFECTIVE DATE: This act shall take effect on the first of January next succeeding the date on which it shall have become a law.