

OREGON'S BOTTLE BILL

Setup and Results



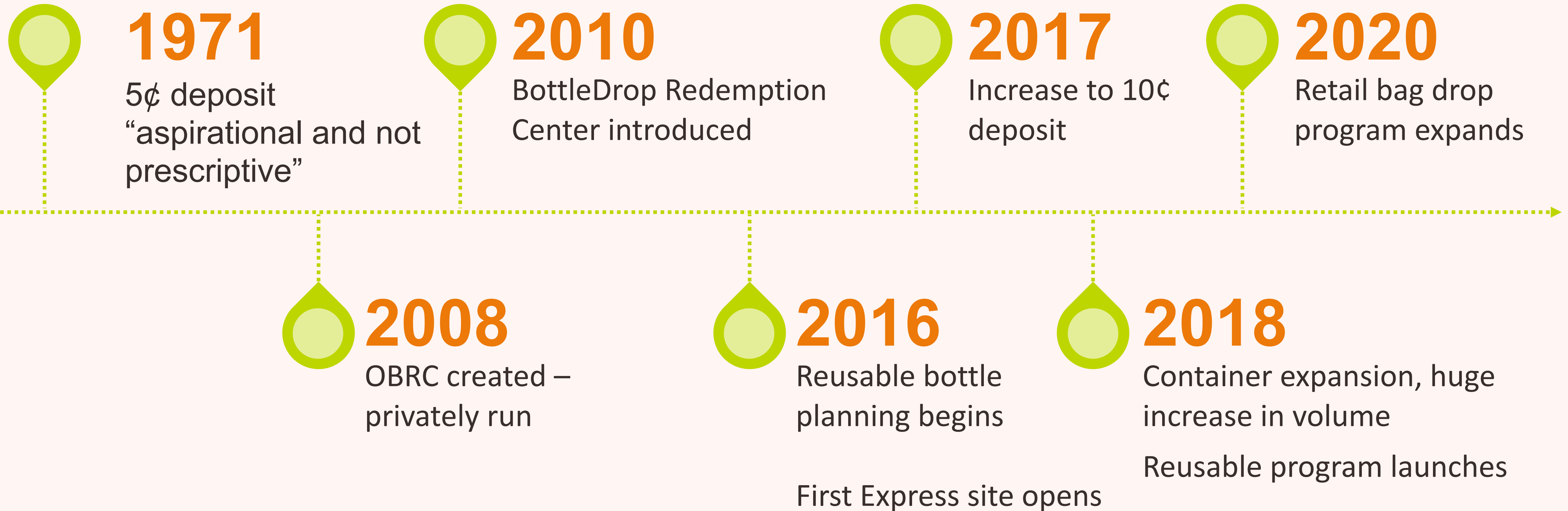
Jules Bailey, Deposit Return Consulting Group

March 11th, 2024

KEY TAKEAWAYS

- **Oregon's Bottle Bill was “aspirational and not prescriptive”. The legislature set parameters and responsibilities, but did not tell actors how to get there**
 - **You can have a central system operator (preferably a 501 c(3)), but make sure there are a range of return options to meet different kinds of consumers**
 - **There are only two policy levers you need to worry about: incentive, and convenience**
 - **Let the private sector innovate, but set clear standards**
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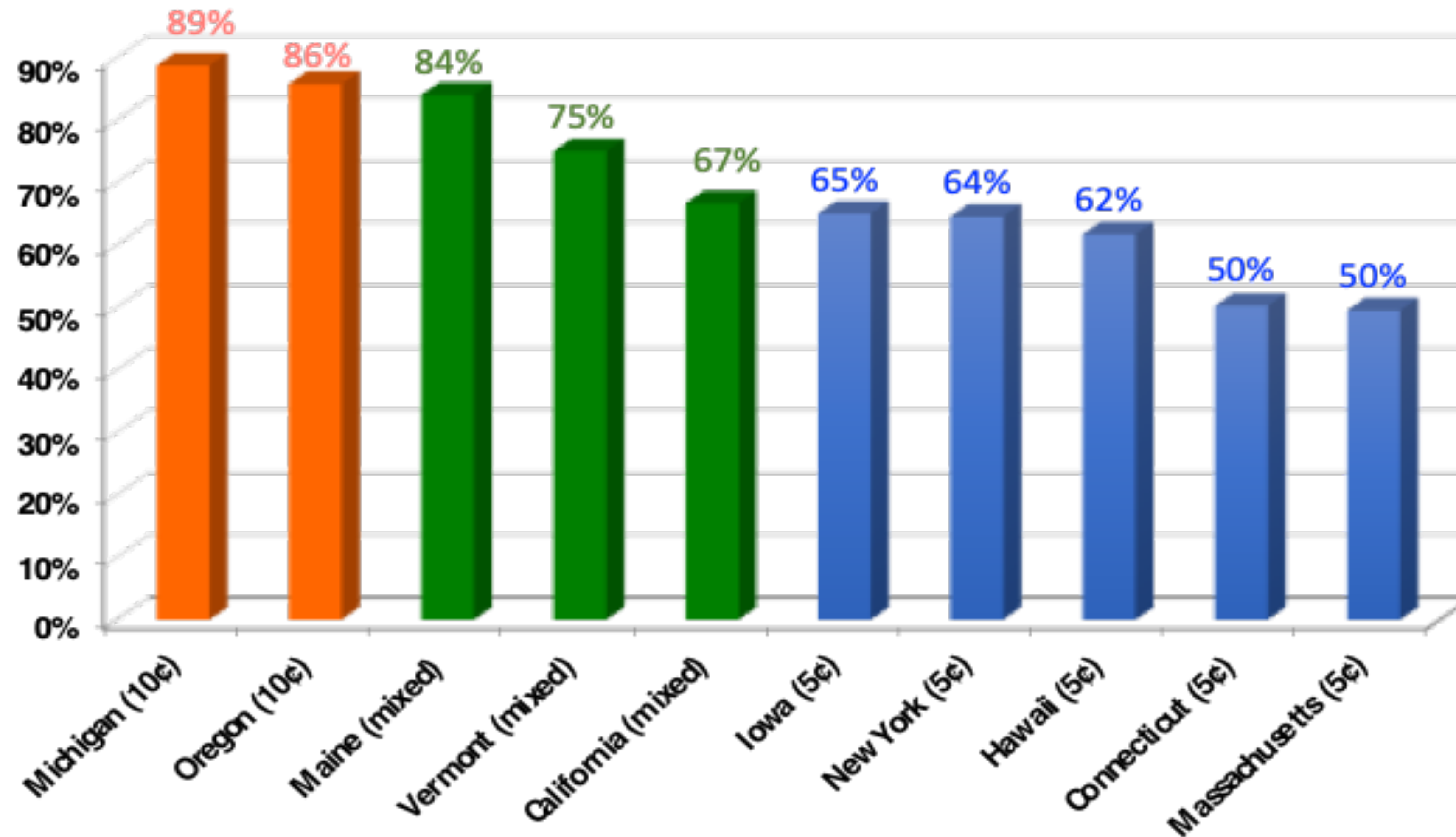
OREGON'S BOTTLE BILL HISTORY



OUTCOMES IN OREGON

- **~90% redemption rate average across beverage container types**
 - **Up from ~64% when deposit was at 5 cents**
 - **Over 1 million account holders for bag program in a state with 1.5 million households**
 - **BottleDrop PLUS allows for 20% more value when redemption money is spent in-store**
 - **95% percent of Oregonians are familiar with the Bottle Bill, and of those 97% like it**
 - **Note: Oregon does not include wine or liquor, but the legislature is considering making that change. Oregon has state-run liquor stores and beer and wine are sold in grocery stores**
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Redemption Rates for U.S. Deposit States, 2019



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LITTER TAXES AND FINES DON'T WORK

For the first time, the Keep America Beautiful 2020 National Litter Study compares litter in regions of the United States with bottle deposit legislation and areas without such legislation. The Study estimates there was substantially more deposit-material litter per capita in non-bottle bill states than in bottle bill states, by a difference of a two-to-one ratio. There was also more non-deposit litter per capita in non-bottle bill states, though the difference in litter per capita for these non-deposit items in non-bottle bill versus bottle bill states was significantly less than for deposit materials.

INDUSTRY CO-OP PROVIDES MULTIPLE RETURN OPTIONS

- **Oregon industry set up a co-op to run operations, but other structures can exist, like 501c(3) operations depending on level of transparency desired**
- **Retails returns still required, but depots can relieve stores of obligation**
- **RVMs at stores and depots, plus a bag program, give options for everyone to return**
- **Co-op has hundreds of members from very large to very, very small distributors**
- **Co-op keeps unclaimed refunds to offset costs, as well as returns scrap value to distributors**

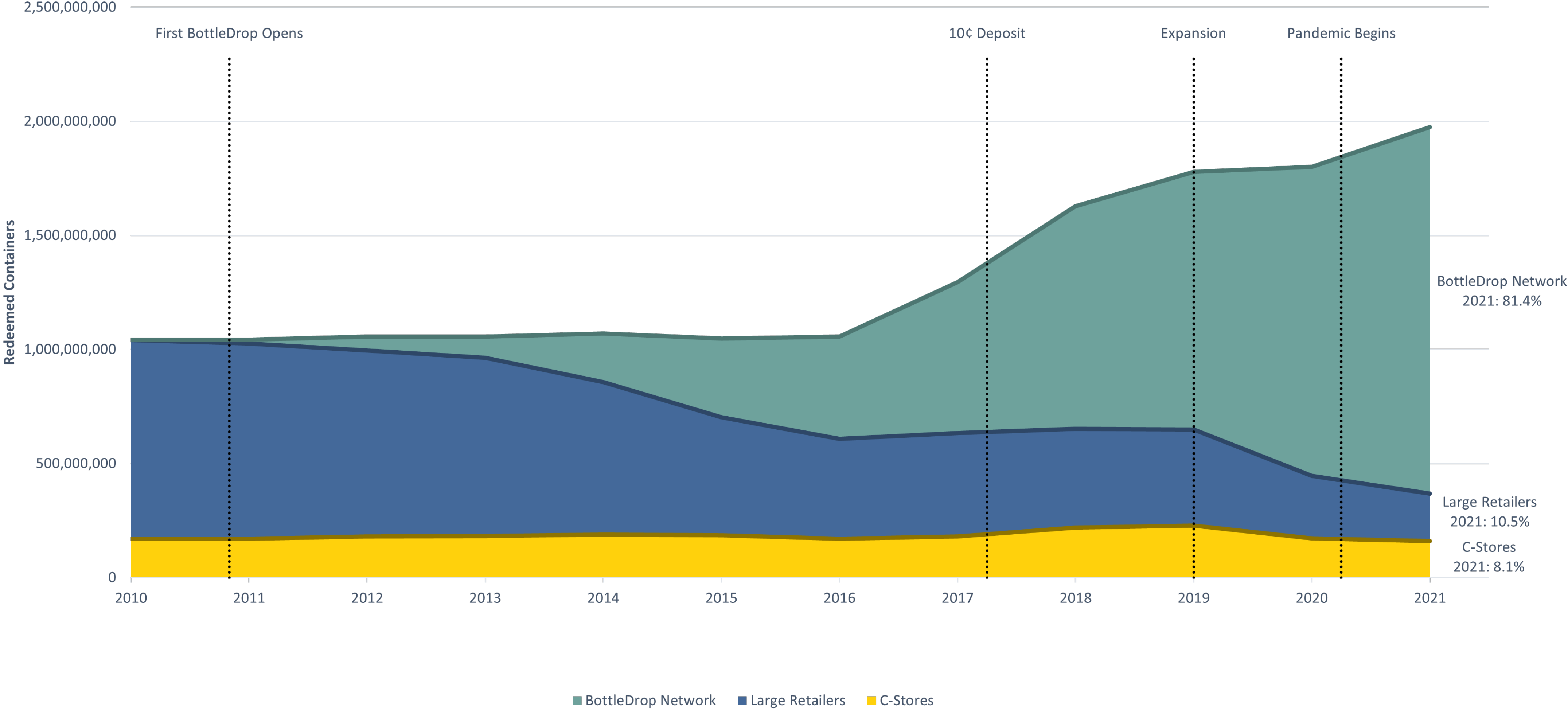


MOST POPULAR RETURN OPTION: GREEN BAGS

- Customers enroll online, through an app, or at stores/depots
- Customers purchase bags, receive tags with their account number on it, tag their bags, and fill them with deposit containers
- Customers drop bags at secure dropsides at stores and depots
- Funds are credited to the customer's online account, and can be used for cash, store credit (with a 20% bonus), donated to charity, or linked to a 529 college savings plan



Container Returns by Location



GREEN BAGS ORIGINATED IN NEW ENGLAND

- Program developed by **CLYNK** - later adopted by **OBRC**
- Nearly **500,000** account holders in **Maine** and **upstate New York**
- **Big contributor** to **Maine's** high redemption rate
- Allows for all types of containers in **Maine's** bottle bill to deposited together, including **wine** and **liquor**





RHODE ISLAND



17% RECYCLING RATE

WITHOUT FIBER AND FLEXIBLE PLASTICS (FFP)

RANKING

RECYCLING RANK 2021 #26

RECYCLING RANK 2018 #16

-10

POPULATION
1,096,985

CENSUS SUB REGION
NEW ENGLAND

RECYCLING REFUND STATE
NO

DATA QUALITY

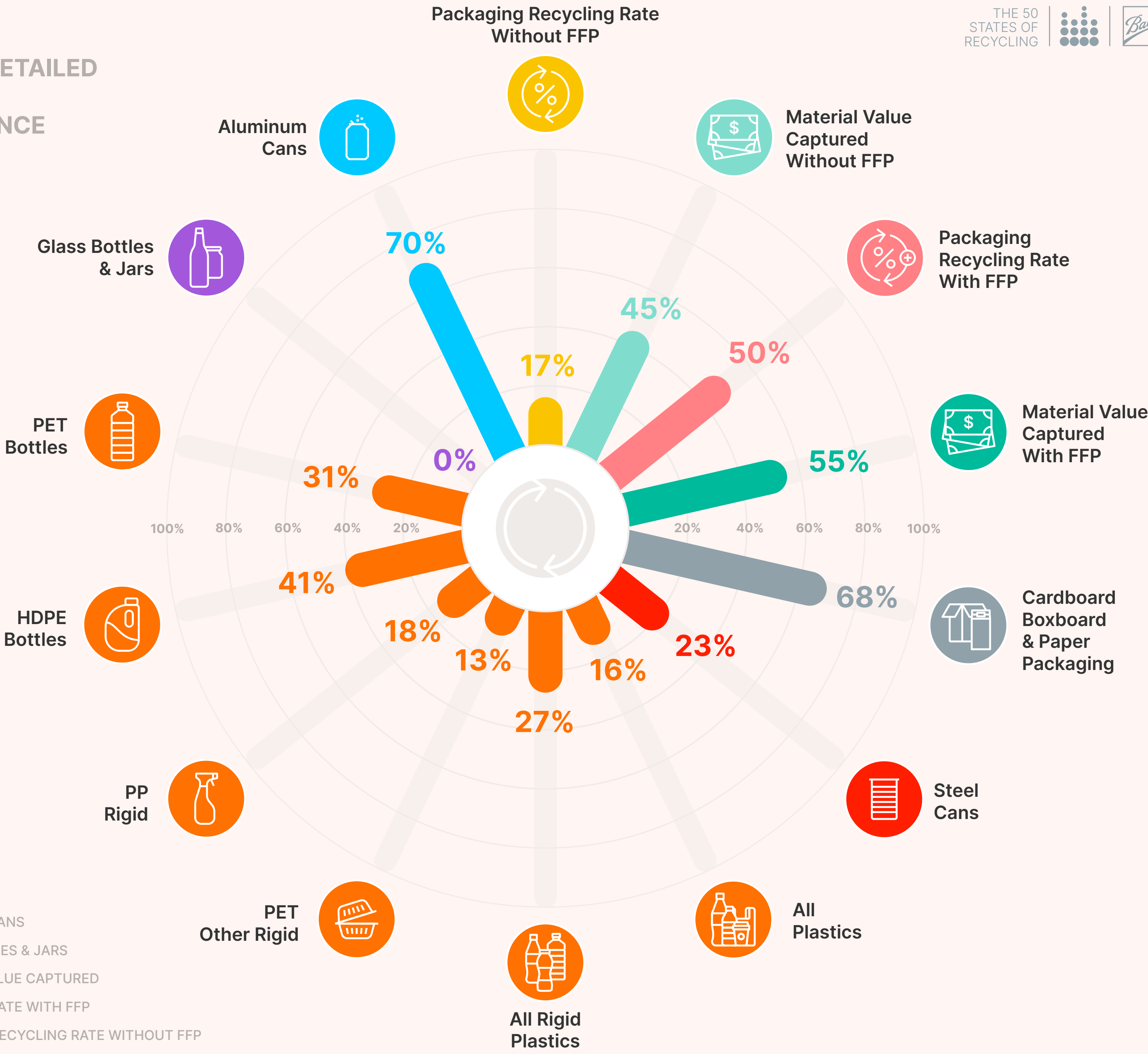


OVERVIEW

Rhode Island has a very progressive set of legislation mandating both recycling targets and consumer access to recycling. The Rhode Island Resource Recovery Corporation (RIRRC) works in conjunction with state government entities to oversee solid waste management. The state has set a target to recycle no less than 35% of the solid waste generated in the state. Additionally, there is a requirement that all solid waste generated from residential and commercial establishments be separated into recyclable and nonrecyclable components. Unfortunately none of the glass bottles and jars are recycled in Rhode Island, instead the MRF glass is used as alternative daily cover at landfills.

CURRENT DETAILED RECYCLING PERFORMANCE

- STEEL CANS
- PLASTICS
- ALUMINUM CANS
- GLASS BOTTLES & JARS
- MATERIAL VALUE CAPTURED
- RECYCLING RATE WITH FFP
- PACKAGING RECYCLING RATE WITHOUT FFP
- CARDBOARD BOXBOARD AND PAPER PACKAGING



RHODE ISLAND

CURRENT STATE OF RECYCLING

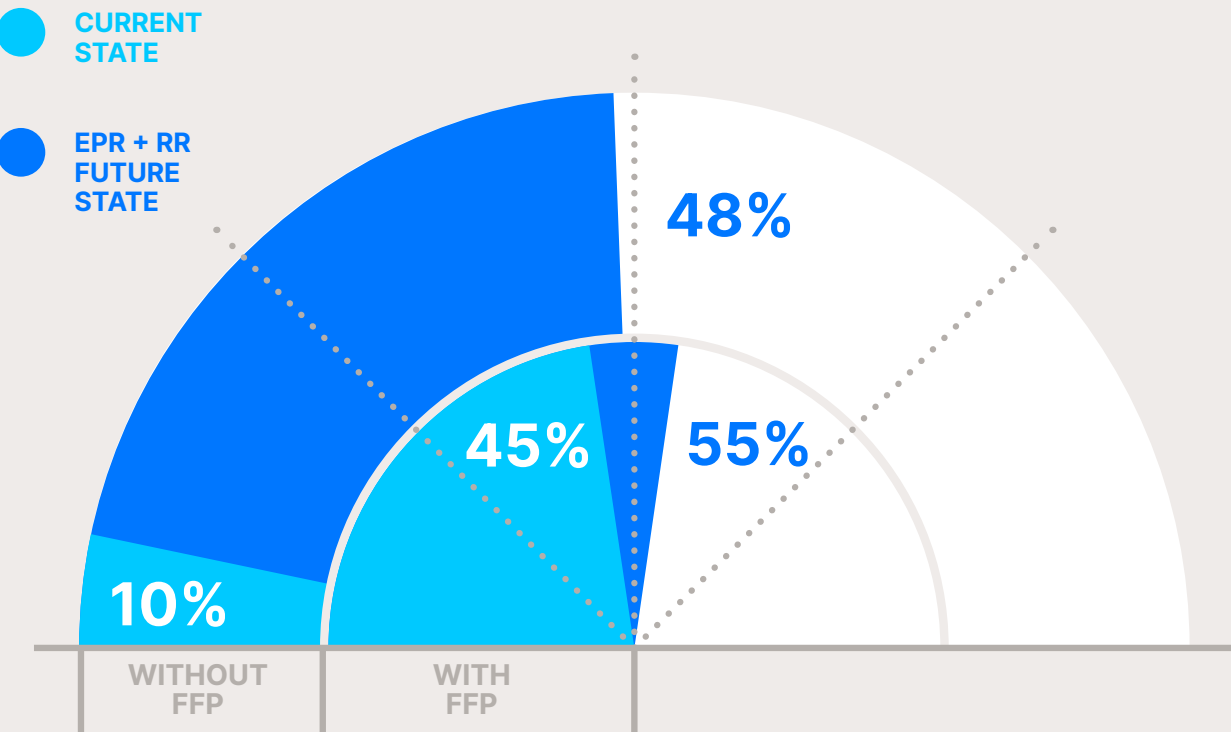
- In 2021, Rhode Island recycled approximately 32% of packaging materials without FFP. This recycling performance increases to 54% when considering materials with FFP.
- The value of the material captured for recycling was \$14 million, just 55% of the total value of material that could be captured for recycling.
- Recycling in the state avoided GHG emissions of 350,000 MTCO₂e.

OUTCOMES EPR+RR

Extended Producer Responsibility and Recycling Refund policy together could:

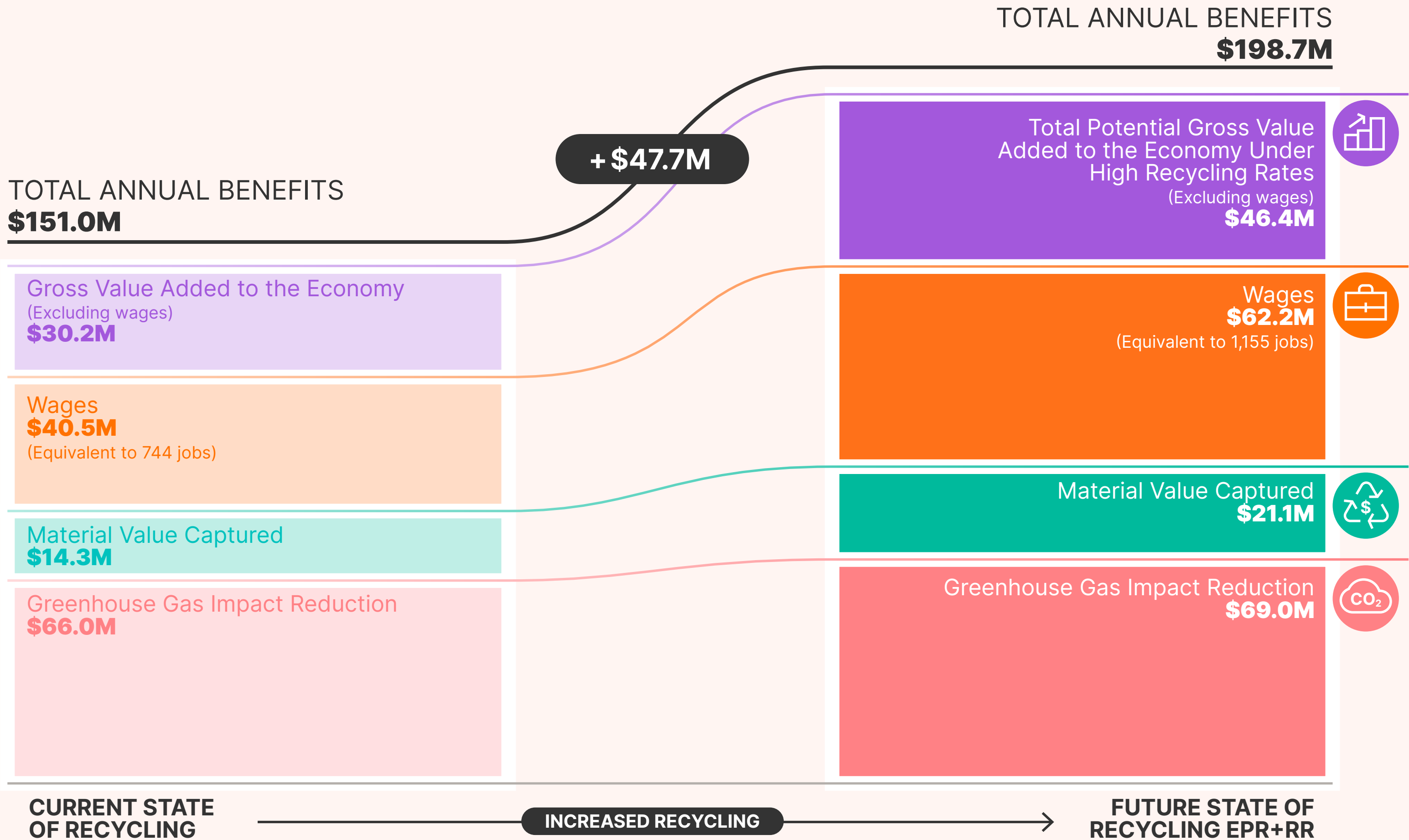
- Increase recycling related jobs from 740 to 1,200.
- Place \$21 million of recycled material back in the market to support a circular economy and reduce the need for virgin material.
- Avoid emissions of 360,000 MTCO₂e annually.

CLOSED-LOOP IMPACTS



THE ECONOMIC AND ENVIRONMENTAL OUTCOMES OF WELL-DESIGNED EXTENDED PRODUCER RESPONSIBILITY (EPR) + RECYCLING REFUND (RR) PROGRAMS

EPR assumes an overall recycling rate of 65% for residential packaging and RR assumes a 90% recycling rate for beverage containers



BEST PRACTICES FOR BOTTLE BILLS

- **10 cents is the modern deposit standard**
 - **Harmonization with surrounding states to avoid cross border issues**
 - **Don't over-regulate, but set an aggressive target of 80-90%**
 - **Include as many beverage types as possible, but don't include non-recyclable packaging**
 - **Have multiple return pathways for different users**
 - **Let private industry lead, either directly or via a handling fee**
 - **Allow industry to offset costs with partial or all unclaimed refunds**
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