



IOWA DEPARTMENT OF NATURAL RESOURCES

LEADING IOWANS IN CARING FOR OUR NATURAL RESOURCES

Iowa's Beverage Container Law
Bottle Bill
Legislative Update 2019

Enacted in 1979 to fight litter, the “Bottle Bill” [Iowa Code 455C], also promotes recycling and reduces waste going to landfills



4.

Empties are picked up by distributor who pays 5¢ plus a 1¢ handling fee to retailer or redemption center for each container

1.

The distributor charges 5¢ for each container delivered to the retailer

“Follow the Nickel”

2.

The retailer charges consumer the 5¢ when buying the product

3.

Consumer gets 5¢ back from the retailer (or redemption center) when empties are returned



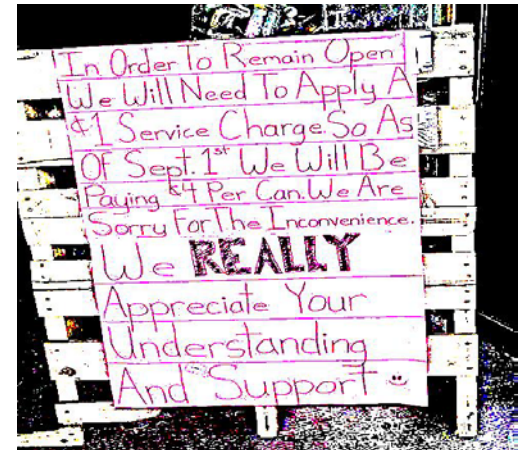
Redemption Centers

- ☐ The law also allows for Redemption Centers
- ☐ Instead of redeeming empties at Retailers, people can take their empties to a Redemption Center to get the refunds
- ☐ Distributors work with Redemption Centers just as they do the Retailers; picking up empties, reimbursing refunds, and paying the 1¢ handling fees
- ☐ Redemption Centers can be either “approved” or “unapproved”

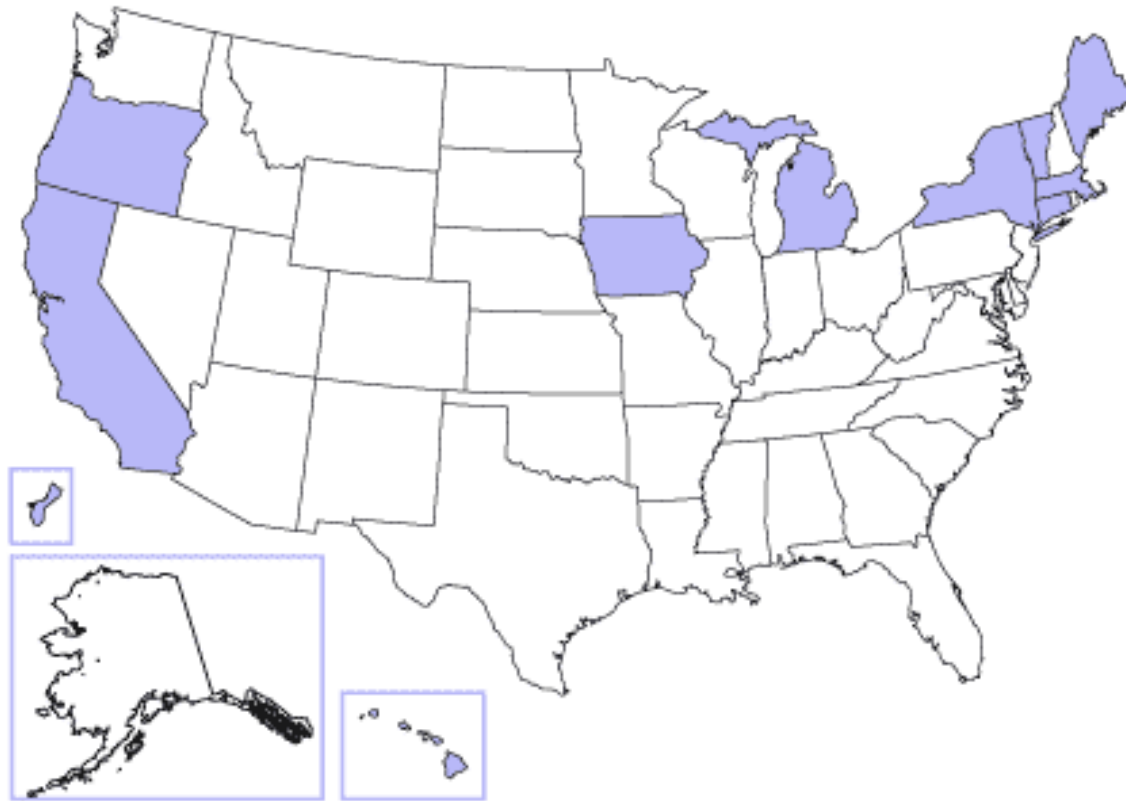


“Bottle Bill” Challenges Brought to Our Attention

- ❑ The 1¢ handling fee has remained unchanged since 1979
- ❑ When costs rise, Redemption Centers:
 - Reduce hours of operation
 - Request customers to sort empties and/or put empties in flats or boxes
 - Reimburse less than the full refunds
- ❑ Over time, more than two thirds of the Redemption Centers have closed
 - There once were over 300 Redemption Centers, but the number is now fewer than 100
- ❑ Iowa state government has no enforcement powers in the “Bottle Bill”
 - Violations are simple misdemeanors, issued by local law enforcement



Other “Bottle Bill” States



California, Connecticut, Hawaii, Iowa, Massachusetts, Maine, Michigan, New York, Oregon, Vermont

Beverages Covered Under the Law

Iowa



Other States



Deposit and Handling Fee

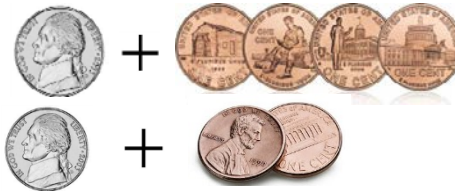
Iowa



Other States



California



Hawaii



Connecticut



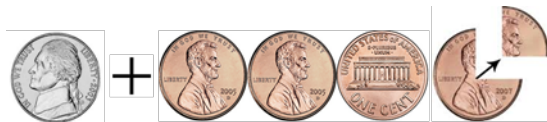
Maine & Vermont



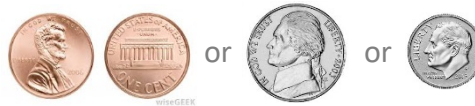
Michigan



Massachusetts



New York



Oregon

Scrap Metal Value

Iowa



Other States



California & Hawaii



All other states

Unredeemed Deposits

Iowa



Other States



California
Connecticut
Hawaii
Massachusetts
Maine
Michigan
New York



Oregon
Vermont
Maine
Michigan
New York

Split amongst state
and distributors



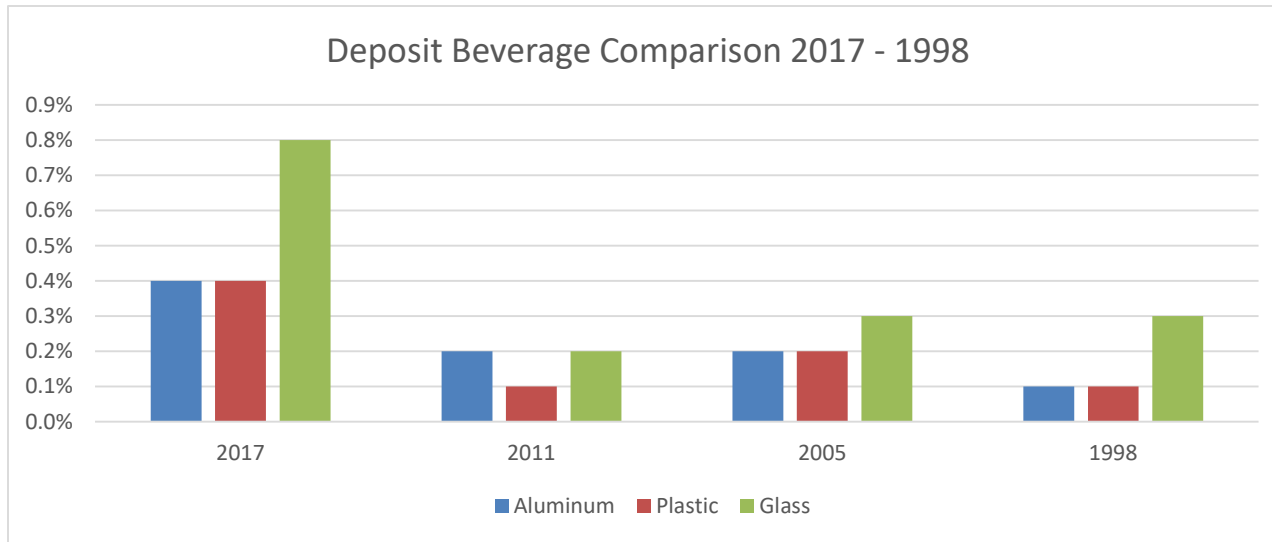
Bottle Bill Recovery Rate Update

- ❑ Was at 86%, updated recovery rate is 71%
- ❑ Rate is determined by comparing waste disposal data from the updated Waste Characterization Study and Iowa specific beverage sales data from the Container Recycling Institute
 - 1,841,947,658 beverage containers sold (aluminum, plastic, glass)
 - 563,612,953 containers landfilled (mostly aluminum)
- ❑ “Recovery” versus “Redemption” rate
- ❑ Unclaimed nickel deposits = \$28,180,648



Bottle Bill Recovery Rate Update

	Percentage of overall waste stream being landfilled			
	2017	2011	2005	1998
Aluminum	0.4%	0.2%	0.2%	0.1%
Plastic	0.4%	0.1%	0.2%	0.1%
Glass	0.8%	0.2%	0.3%	0.3%



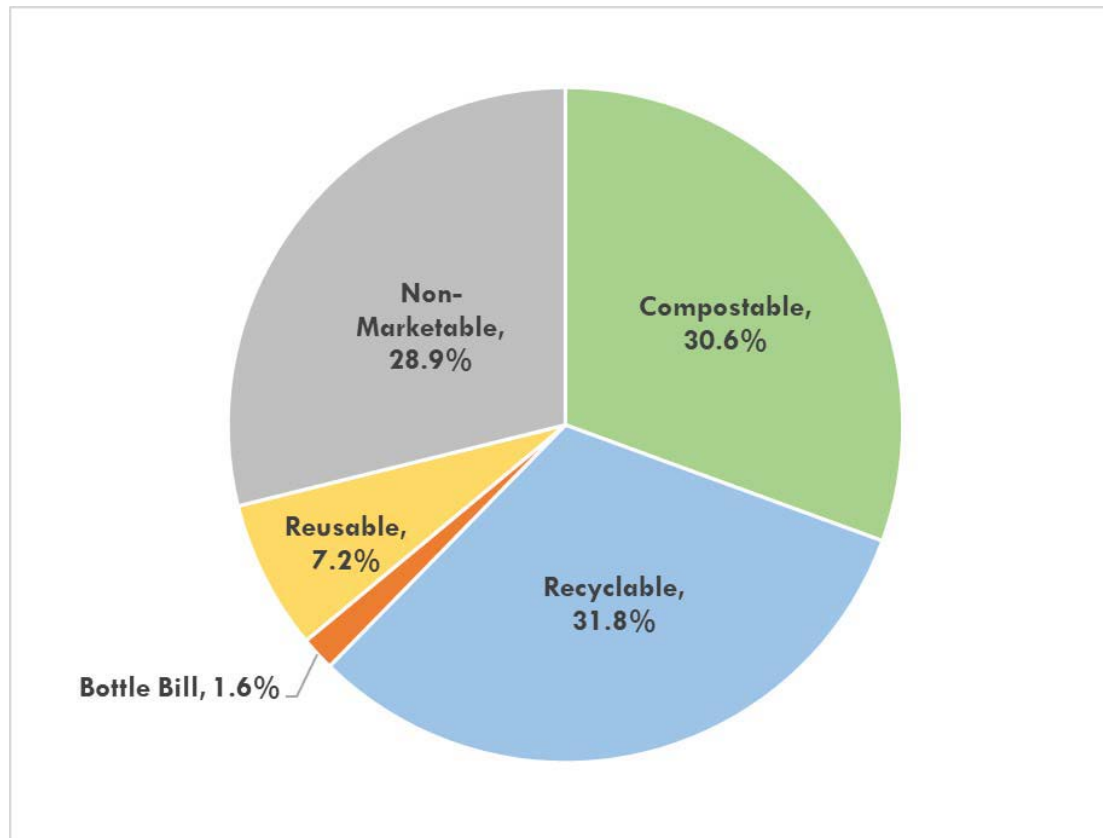
NOTES

Possible reasons for increased landfilling of deposit containers:

- Closing of redemption centers (300 centers once, now down to 100)
- Decreased value of 5 cents to consumers

Highlights from Waste Characterization Study

- ❑ Nearly 70% of waste disposed of in Iowa landfills can be diverted through increased reuse, recycling, and composting

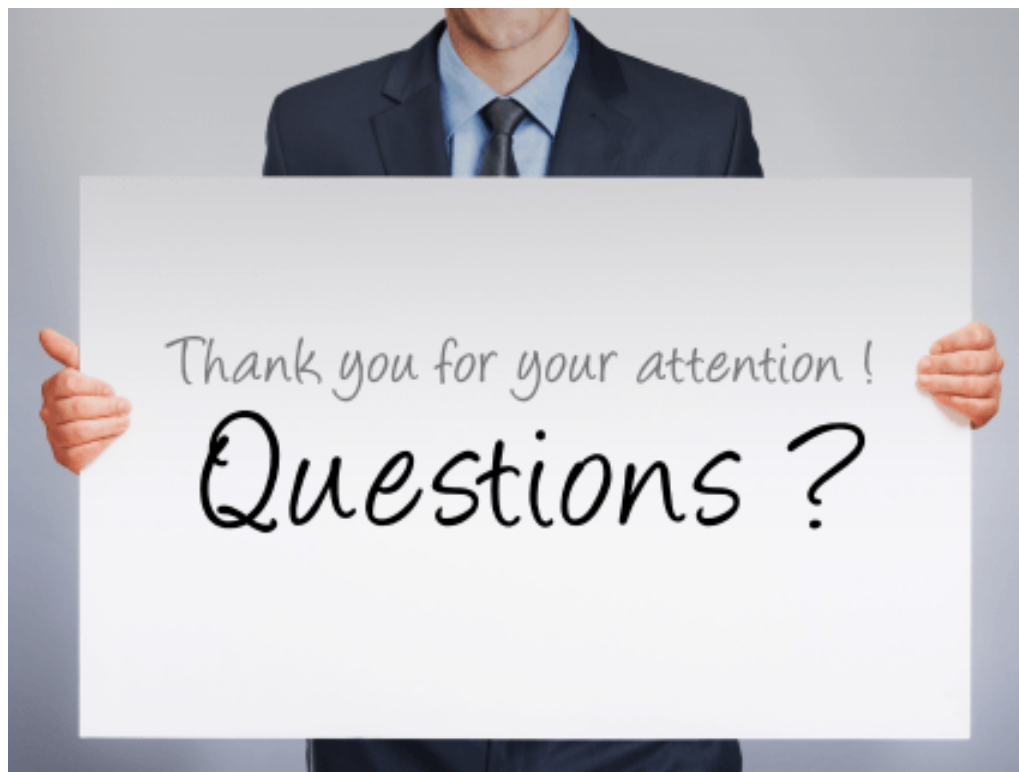


Highlights from Waste Characterization Study

Estimated Value of Disposed Recyclable Materials

Recyclable Paper	Estimated Total Market Value
High Grade Office Paper	\$3,444,000
Magazines/Catalogs	\$2,432,500
Mixed Recyclable Paper	\$3,646,000
Newsprint	\$896,250
OCC and Kraft Paper	\$9,051,500
Aseptic/Gable Top Containers	\$943,500
Total	\$20,414,250

Recyclable Containers	Estimated Total Market Value
#1 PET IA Deposit Beverage Containers	\$2,006,000
#1 PET Beverage Containers	\$6,165,500
#2 HDPE Containers Natural	\$5,461,000
#2 HDPE Containers Colored	\$3,808,000
Other #1 PET Containers	\$2,537,000
Plastic Containers #3-#7	\$824,000
Other Plastic Containers	\$186,000
Other Plastic Products	\$2,825,000
Aluminum Beverage Containers	\$2,192,000
Aluminum IA Deposit Beverage Containers	\$10,549,000
Ferrous Food and Beverage Containers	\$2,405,000
Brown Glass	\$44,000
Clear Glass	\$461,900
Glass IA Deposit Beverage Containers	\$429,000
Green Glass	\$2,000
Subtotal	\$39,895,400
Total	\$60,309,650



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