

“Why a Bottle Bill is Bad for Illinois.”

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Steven Schilling, P.E.
Assistant Executive Director
Solid Waste Agency of Northern Cook County

A Bottle Bill will cost 3.6 times what your curbside program costs, includes a hidden tax of about 10% on your beverage purchases, and will increase the cost of your curbside recycling program by at least 20%.

Abstract

Bottle Bill proponents tout a mandated deposit-redemption system for beverage containers as an effective method of increasing the recycling rate for these containers. While these programs do increase the number of containers recycled, this increase would come as a detriment to consumers and existing recycling programs in Illinois. There are three main reasons why a Bottle Bill is bad for Illinois. 1) Increased prices to cover infrastructure and handling results in an added tax to consumers. 2) A Bottle Bill costs more than three times the cost of our curbside recycling programs. 3) Removing the valuable commodities from our curbside programs will increase costs of the curbside program dramatically.

Introduction

Bottle Bill Legislation is being proposed for Illinois that would mandate a Beverage Container Deposit-Redemption System. These programs require consumers to pay a deposit on beverage containers at the point of purchase and returns the deposit when the consumer redeems the empty container at a collection center. Recycling rates for containers between 70 and 80% are achieved with these programs [1]. While on the surface this may sound appealing, there are significant flaws in these programs that would be detrimental to consumers and curbside recycling programs in Illinois. This paper will look at three main reasons why a Bottle Bill will be bad for Illinois.

1) Increased prices to cover infrastructure and handling results in an added tax to consumers.

Bottle Bill proponents emphasize how a consumer pays a deposit (usually five to ten cents per container) and gets that money back when the empty container is redeemed at a collection center. Who pays for all the handling and transportation costs once the container is returned? The answer is the consumer. Proponents claim that only one to two cents per container, a “negligible” amount, is added to the cost of the product. Michigan reports a 3.3 cent increase in prices and the USEPA estimates increases between 2 and 4 cents per container [2].

Lets look at an example, I can currently buy a case of a major brand of cola for \$4.99. Adding \$0.02 per container increases the total cost to \$5.47, a 9.6% increase. All of the sudden a “negligible” amount effectively becomes a 9.6% tax to the consumer.

2) A Bottle Bill costs more than three times the cost of our curbside recycling programs.

The average household in the Solid Waste Agency of Northern Cook County (SWANCC) pays \$2.84 per month for curbside recycling service. That household will recycle 0.35 tons of material (rigid and fiber material, no landscape waste) per year resulting in a cost to recycle of \$97.37 per ton of material recycled. An analysis of the costs associated with Michigan’s program shows the cost per ton of material recycled is \$353 per ton [2], 3.63 times the cost of curbside recycling.

3) Removing the valuable commodities from our curbside programs will increase costs of the curbside program dramatically.

Bottle Bill programs pick the most valuable materials from the curbside program. According to the April 26, 2004 issue of Waste News [4], the average commodity price for aluminum in the Chicago area was \$760 per ton. The average price of PET was \$340 per ton. Removing aluminum from the curbside program will reduce program-supporting revenue by \$1.6 million. Removing PET bottles will further reduce revenues. Removing aluminum alone will increase the cost of the curbside program to the average household by \$0.57 per month, a 20% increase.

Bottle Bill proponents admit that revenues for curbside programs will be reduced, but claim that the reduced revenue is offset by reduced costs. This is false. The highest cost portion of curbside programs is the collection. The truck still needs to travel the same amount to collect the recyclables remaining in the program. Proponents suggest that residents can “donate” their beverage containers to the curbside program [1]. If this is the case, the processor must still maintain the infrastructure to handle beverage containers and all cost savings due to reduced processing needs will be gone.

Conclusion

Recycling programs are a balance between effectiveness and cost. We are fully capable of recycling 100% of our waste stream if we, as a society, decide it is worth the investment. The Bottle Bill proposal represents a high cost recycling system. Its results are dramatic if we focus solely on the type of materials collected. If we look at the entire wastestream, the results lose their luster when you consider that beverage containers represent less than 6% of the entire wastestream [3].

Ultimately the choice to implement a Bottle Bill will be up to Illinois residents through their legislators. It is hoped that they will be given all the data necessary to make an informed choice on the matter. Information given to residents should include: A Bottle Bill will cost 3.6 times what your curbside program costs, includes a hidden tax of about 10% on your beverage purchases, and will increase the cost of your curbside recycling program by at least 20%.

References

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- [3] “Municipal Solid Waste in The United States: 2001 Facts and Figures”, USEPA, October 2003.
- [4] “Waste News Pricing Report”, Waste News, Vol. 9 No. 28, April 26, 2004.