

# 10 ESSENTIAL PRACTICES FOR A MODERN BOTTLE BILL

These 10 essential practices for a bottle bill help legislators and system operators build, run, and maintain a modern deposit return system (DRS) for beverage containers. They create a consumer-friendly DRS that leads to major environmental and economic benefits for all.



## REGULATIONS

Lay the **Foundation** to build a strong system

**1 MEANINGFUL TARGETS AND PENALTIES** drive performance and outcomes to make a modern DRS work. A minimum deposit of 10 cents and a redemption target of 90% stimulate consumer, producer, and government engagement and investment. Strong penalties and government enforcement are important so that producers view compliance as more cost-effective than non-compliance.

**2 POINT-OF-RETURN** requirements ensure consumers have easy, equitable access for returning containers and redeeming deposits. A retail-focused return approach consistently shows 87% return rates compared with 71% for return to depot or redemption centers. Retail return can also generate increased foot traffic for smaller stores, encouraging their participation.

**3 COMPLIANCE AND OFFICIAL REPORTING** by producers to government regulators guarantees progress can be measured and meaningful targets are met. Publicly communicating the activities and results of the program helps build and maintain consumer support, encouraging participation and driving higher rates of return.

**4 OVERSIGHT AND ENFORCEMENT** by state agencies incentivizes producers to meet performance targets. When producers fail to meet targets, government can respond with strong enforcement measures, including financial penalties. Effective legislation may also include a “trigger” mechanism to increase the minimum deposit value, if/when performance targets are not met. Penalties clearly connect to the expectations outlined in targets and responsibility accrues to a specific party or parties.



## STANDARDS

Serve as a **Frame** to run the system effectively

**5 DESIGN, MARKING, AND REGISTRATION FOR CONTAINERS** that is standardized and uniform leads to optimized recovery, enhanced recyclability, and accurate accounting. Universal marking of every container with a barcode allows tracking by brand, beverage type, and deposit amount. This minimizes fraudulent redemption, reduces system costs, and facilitates transparency in the DRS. Every brand owner in a given deposit state registers their barcode(s) with the appropriate party or parties so all retailers and reverse vending machine (RVM) operators can get the codes to program their redemption machines.

**6 COLLECTION** standards specify minimum operating requirements for deposit return points. This makes them easy and equitable for consumer use and efficient for retailers to run and get timely reimbursements. Standards would include having trained staff available during business hours to assist consumers when they need help, as well as onsite cash refunds, with an option for a secure electronic refund within two business days of the transaction.



## OPERATIONS

Define the **Functions** to maintain the system over time

**7 INFRASTRUCTURE FOR LARGE-VOLUME RETURNS** makes each collection point more efficient, user-friendly, and cleaner for both consumers and retailers. A modern system offers return points specifically geared to bulk returns so it eliminates long lines for consumers and lessens the burden on businesses. Any technologies used for bulk counting would adhere to container identification requirements and ensure accountability in the counting and verifying of containers collected.

**8 OPTIMIZED LOGISTICS** ensure uniform and fair procedures for those who handle beverage containers. Wherever possible, containers would be compacted to reduce the number of trucks on the road and their travel time. Fuel-efficient or alternative fuel vehicles are encouraged for added environmental benefit. Producers would conduct regular auditing of service operators and vendor procurement procedures as a matter of good business.

**9 MATERIAL PROCESSING AND SERVICE FEES** for collected containers would be set and paid to the collectors and processing/counting entities based on the number of counted and verified containers. Services related to the processing and recycling of beverage containers would benefit from economies of scale. The deployment of processing capacity should be optimized to reduce costs and environmental footprint.

**10 MANAGEMENT OF MATERIAL FLOW AND FINANCIAL DATA** facilitates “clearing” — a computer-based exercise where deposit containers registered at the point where they enter the market are “matched” with the units returned. Once this calculation is complete, the container has been “cleared.” Clearing is essential not only for operations, but also for data management and reporting compliance. Typically, information technology providers use software developed for the specific system. The information collected is linked to a central database management system to ensure timely tracking and accountability for each container.