Dear Representatives Paustian, McKean, and Isenhart,

The Container Recycling Institute supports House File 2155, “An Act relating to the applicability of beverage containers control provisions and the handling fees pursuant to those provisions.” This bill seeks to update the Iowa deposit law to include almost all non-carbonated beverage containers, and to raise the handling fee from the current one cent to two cents per redeemed container.

**Updating the deposit law to include non-carbonated beverages is an idea whose time has come.** When Iowa’s bottle bill was enacted in 1978, non-carbonated single-serve beverages simply did not exist. But times have changed, and non-fizzy drinks now make up a large portion of the Iowa beverage market: 36% in terms of units sold, and 45% by weight. This includes more than 26,000 tons of glass, plastic and aluminum generated annually statewide (excluding wine, spirits, and dairy): that is a lot of material for local taxpayers to manage via municipally-funded curbside recycling, or trash pickup and landfilling.

The latter—landfilling—is much more prevalent. According to our derivations based on national recycling rates and those in the 10 deposit states, **the vast majority of non-carbonated beverage containers sold in Iowa are wasted**: not recycled, but rather landfilled or littered. Specifically, we estimate that the non-carbonated beverage container recycling rates are as low as 12% for glass, 18% for PET plastic, and 46% for aluminum cans. Contrast this to the 2017 recycling rates recently released by DNR: 83% for deposit glass, 60% for deposit PET plastic, and 69% for deposit aluminum cans. We estimate that over 11,000 tons of glass, over 10,000 tons of PET, and 764 tons of aluminum are wasted in Iowa annually.

Replacing those bottles and cans with new ones made from virgin materials produces almost 22,000 tons of greenhouse gas emissions, and other forms of pollution, resource depletion, and ecosystem damage.

Many of these wasted containers don’t end up in the landfill, but rather **as litter along Iowa roadways, streams, parks and other public places**, posing both an aesthetic nuisance and a financial cost to taxpayers for cleanup. CRI has estimated that the current bottle bill saves Iowans $3.9 million annually in avoided litter abatement costs. If non-carbonated beverages are brought into the deposit system, those savings will mount to an estimated $4.7 million per year.

**Raising the handling fee to 2¢ is also long overdue.** The costs that retailers and redemption centers incur for rent, labor, transportation, equipment, and insurance have all risen steadily over the years, yet the handling fee has remained the same since the bottle bill’s inception in 1978. According to the DNR, there were 224 redemption centers operating as of 2003; that number had shrunken to 108 by 2016. With the current handling fee, the costs of operating are simply prohibitive for many. Better compensating retailers and redemption centers for their costs will stem the tide of redemption center closures.

For all of these reasons, CRI supports passage of HF 2155.

Sincerely,

Susan Collins
President and Executive Director, Container Recycling Institute

*About the Container Recycling Institute*: CRI is a nonprofit organization and a leading authority on the economic and environmental impacts of beverage containers and other consumer-product packaging.