FOR IMMEDIATE RELEASE
Nov. 18, 2026
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New Data Show Decline in Connecticut's Beverage Container Redemption Rate in Q2 2026 After Two Years of Increases

Container Recycling Institute Analysis Provides the Latest Redemption Rates, Beverage Container Sales and Related Data for the State in the Context of Legislation to Address Beverage Container Fraud

CULVER CITY, CA, Nov. 18, 2026 – The Container Recycling Institute (CRI), a national nonprofit authority on the economic and environmental impacts of used beverage containers and other consumer product packaging, today released second-quarter (Q2) 2026 data for Connecticut's beverage container deposit-return system (DRS, aka bottle bill) showing that, compared to Q2 2025, beverage container sales reported to the state increased nearly 8%, redemption volumes declined 1.7% and the redemption rate dropped nearly 8 percentage points (86.6% to 79%).

This marks the first substantial reversal in a quarterly year-over-year upward redemption rate trend since the deposit amount increased from 5 to 10 cents on Jan. 1, 2024.

In a new issue brief addressing Connecticut's DRS trends, challenges and solutions, CRI indicates that this data may reflect improved beverage container sales reporting by distributors and/or retailers, as well as reduced redemption of out-of-state containers. However, the analysis also states that data from just one calendar quarter cannot establish causation or signal lasting results, and that it is crucial to allow time to assess the effectiveness of legislation now being implemented to strengthen the deposit system against fraud and free riding.

DRS programs are widely recognized as the most effective recycling systems for achieving high beverage container recycling rates while producing clean, high-quality recyclable materials. Connecticut saw redemption rate increases beginning in 2024 following implementation of DRS program upgrades approved in legislation signed into law in 2021. Key modernization elements included adding redemption points for consumers, placing deposits on additional beverage types and raising the deposit amount.

New York and Connecticut Beverage Container Redemption Data

Despite the positive news, the state has faced claims of underreporting of beverage container sales and reports of empty beverage containers being brought across state borders (including from New York) by individuals seeking to take advantage of the deposit-refund price differential from state to state.

CRI compiled data for beverage containers redeemed in Connecticut and New York from 2023 to 2025. During that time, the number of containers redeemed in Connecticut increased by more than 925 million, while the number in New York declined by approximately 2 million. This suggests that the relatively small decline in New York redemptions does not account for the overall increase in volume in Connecticut.

Among the four laws passed in Connecticut to date (one that took effect in 2024 and three in 2026) to address DRS fraud and free riding, Public Act 26-148 (effective Oct. 1) authorizes criminal penalties for high-volume collection of redemption refunds on beverage containers purchased outside of the state. Aso, Public Act 26-88 authorizes two new enforcement positions at the Department of Energy & Environmental Protection (DEEP), though they have not yet been filled.

"Enforcement of provisions to address beverage container fraud and free riding is an important pillar of successful DRS programs, and we have seen it produce results in jurisdictions with personnel specifically assigned to this work," said CRI President Susan Collins.

She added, “We commend Connecticut for including enforcement staff additions into its legislation that targets fraud and free riding. Once the positions are filled and the work begins, we can start to make informed decisions about the effectiveness of the legislation and whether additional measures are necessary.”

The 10-Cent Deposit Debate

Given reports of cross-border redemption of containers purchased in states with lower deposit amounts, there is discussion in some quarters that Connecticut’s 10-cent deposit should be rolled back to 5 cents.

But Collins said that data clearly show the value of the higher deposit amount. For example, Oregon saw large redemption increases after it made several DRS program improvements, including upping the deposit amount from a nickel to a dime. When the 10-cent deposit took effect in 2017, the redemption rate climbed from 64% in 2016 to 86% in 2019. Since then, the rate has not dropped below 81% except for one year during the COVID pandemic, and in calendar year 2025 it stood at 88%. Robust legal and operational tools provide strong fraud deterrents in Oregon’s DRS, with cross-border beverage container fraud having been estimated at less than 5% annually.

Underreporting of Beverage Container Sales

Because underreporting of beverage container sales (a form of free riding) inflates redemption rates, CRI’s Connecticut DRS analysis also includes the scale of the sales difference between CRI estimates (determined using its Beverage Market Data Analysis) and numbers reported by distributors and/or retailers to the state. *(Explanation of this using an example based on 1 million containers sold and 750,000 redeemed: If the distributor and/or retailer reports the correct sales number, the redemption rate is 75%. If the distributor and/or retailer underreports the sales number as 900,000, the redemption rate is 83.3%.)*

Underreporting enables the culpable parties to pay lower beverage fees and/or deposits than are actually due, and results in the program administrator or state collecting less funding, which impacts the program’s integrity.

CRI estimates sales of beverages on deposit in Connecticut at 2.78 billion units in calendar year (CY) 2023, while sales reported to the state were 1.95 billion in CY 2025 – 30% lower. This equates to nearly $83 million in possibly unreported initiated deposits. If the actual 2023 sales number was reported to the state in 2025, CRI projects that Connecticut’s redemption rate would have been 64% (instead of the calculated 92%).

Potential Solutions in Connecticut

CRI’s analysis provides four potential solutions to strengthen Connecticut’s DRS via distributor and retailer auditing:

- Develop tight internal policies and accounting requirements,
- Revise already-submitted reporting of beverage sales,
- Create independent audit requirements, and
- Continue to monitor existing legislation and practices.

CRI recently released a comprehensive, first of its kind guidebook designed to help prevent fraud, free riding and operational errors in DRS programs. The guidebook examines vulnerabilities across all 10 U.S. deposit states and provides practical strategies for establishing effective DRS safeguards.

“Because every deposit state has its own laws, requirements and operating practices, there is no single solution to every problem,” Collins said. “Our goal with the guidebook is to identify approaches that have worked, explain how liabilities can arise, and give policymakers and program administrators a range of tools they can use to strengthen their own systems. We encourage legislators, policymakers and other DRS stakeholders in Connecticut to reference this document to help guide their continued work to protect the integrity, efficiency and long-term effectiveness of the state’s DRS.”

Find the Connecticut DRS analysis and the guidebook on preventing DRS fraud, free riding and operational errors at www.container-recycling.org/fraud-and-free-riding/.

The nonprofit Container Recycling Institute (www.container-recycling.org) is a leading authority on the economic and environmental impacts of used beverage containers and other consumer product packaging. Its mission is to make North America a global model for the collection and quality recycling of packaging materials.

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