

July 20, 2009

Markell Announces Veto of House Bill 201

Governor directs DNREC, DEDO to work with legislators, environmentalists and the private sector to increase recycling while addressing businesses' concerns with state's 'Bottle Bill'

DOVER – Gov. Jack Markell said Monday he will veto House Bill 201, which would have repealed Delaware's "Bottle Bill" that places a 5-cent deposit on beverage containers.

"Delaware is quickly earning a reputation as a leader in environmental issues like alternative energy and climate prosperity, in part, because we recognize the connection between the health of our economy and the health of our environment," Markell said. "This bill as written, without additional consumer protections or a plan to improve our recycling rate, does not move us forward. I am hopeful that by working cooperatively with many interested participants, we can, in fact, move forward."

The full text of the veto message follows:

TO THE MEMBERS OF THE HOUSE OF REPRESENTATIVES
OF THE 145TH GENERAL ASSEMBLY:

House Bill 201 repeals Delaware's "Bottle Bill," which can be found in Subchapter III, Chapter 60, Title 7 of the Delaware Code. I have considered this legislation in detail and I have met and discussed the issues related to this legislation with retailers, distributors, environmentalists, legislators, members of my cabinet and my staff. Pursuant to Article III, Section 18 of the Delaware Constitution and only after careful consideration, I am returning House Bill 201 to the Delaware House of Representatives without my signature.

By way of background, Delaware's Bottle Bill was enacted in 1982 and places a five cent refund value on beverage bottles returned. The purpose was to reduce littering by encouraging the return, reuse and recycling of beverage bottles, and to reduce utilization of our landfills. It can be fairly said that Delaware's Bottle Bill has contributed to a reduction in litter alongside our roadways and parks, as well as reduced landfill usage. Indeed, some estimate that one-third of glass bottles are returned to retailers for recycling. House Bill 201 eliminates this initiative in its entirety, without any proposed alternative.

While the Bottle Bill does help reduce litter and promote recycling, the problems with this 29 year old initiative are notable. The use of plastic bottles in lieu of glass has grown significantly, but very few plastic bottles are returned. Cans are no longer included within the law's scope and the program is otherwise cumbersome and costly to administer for retailers. There is also very little accountability in this program, so its effectiveness is difficult to measure. If one assumes a 30% return rate for glass bottles, this equates to 70% of the deposits being collected not being returned to consumers. In the end, consumers are paying for a recycling initiative that is not very effective.

Importantly, there is nothing in House Bill 201 that prohibits distributors from continuing to charge five additional cents, or increasing their prices to offset any loss of bottle deposits they have become accustomed to keeping. Indeed, the legislation does not even provide a mechanism for consumers to recover their deposits on bottles purchased prior to the effective date of the repeal. While paying for an ineffective recycling initiative is bad, continuing to pay, after the program is abolished, is even worse.

There is widespread recognition that Delaware's recycling rate is too low and there have been various

recycling initiatives proposed over the years. While proponents of House Bill 201, under the leadership of Representative John J. Viola, deserve significant credit for calling attention to the inadequacies of our current Bottle Bill, I believe we need to review this issue in a larger context that takes into consideration the environment, the industry and Delaware taxpayers. Although I am sympathetic to those who argue that the current Bottle Bill system is broken, I am committed to doing what I can to ensure that we replace it with something better.

To that end, I have directed Secretary Collin O'Mara of the Department of Natural Resources and Environmental Control and Alan Levin, the Director of the Delaware Economic Development Office, to work with Representative Viola, other members of the General Assembly, beverage distributors and retailers, and the environmental community to comprehensively examine how beverage bottles are distributed, sold, returned and recycled. My hope is that we can propose a workable solution when the General Assembly returns in January 2010.

This hope is bolstered by my recent meetings with beverage distributors, retailers and environmentalists, as I have heard good faith commitments to improve our current recycling efforts, based on best practices around the country and around the world. We should capitalize on this shared commitment to develop alternatives to the current Bottle Bill that will further promote waste diversion and recycling efforts in Delaware, while being fair to Delaware taxpayers.

In closing, Delaware is quickly earning a reputation as a leader in environmental issues like alternative energy and climate prosperity, in part, because we recognize the connection between the health of our economy and the health of our environment. This bill as written, without additional consumer protections or a plan to improve our recycling rate, does not move us forward. I am hopeful that by working cooperatively with many interested participants, we can, in fact, move forward.

For these reasons, I must veto House Bill 201 and return it to the House of Representatives without my signature.

Sincerely,

Jack A. Markell
Governor