

CONNECT THE DOTS: Money in Politics

The Battle of the Bottle: *Bigger, Better Bottle Bill Sparks Big Spending in Albany*



New York State passed the Returnable Container Act – known as the “Bottle Bill” – in 1982 after a hard push by environmental groups and their allies. The bill passed despite the stiff opposition of the beer and soda industries, the bottling industry and food retailers. Now, envi-

ronmental groups hope to have the same success with the so-called “Bigger, Better Bottle Bill” (BBBB) – a proposal that was first introduced in the state legislature in 2002. With a formidable ally, Governor Spitzer, in their corner, proponents feel encouraged that the bill has new momentum. But opponents won’t give up this big bottle battle without a fight.

What is the Bigger, Better Bottle Bill?

Twenty years after the first Bottle Bill was passed, environmental groups and their allies launched a campaign to update the old law. In the spring of 2002, legislation was introduced in both the Assembly and Senate to expand and update the Bottle Bill. This legislation became known as the “Bigger, Better Bottle Bill.”

The BBBB would have two primary impacts on the old Returnable Container Act. It would **expand** the law to include non-carbonated beverages (such as bottled water, iced tea and other drinks that have become significantly more popular since the first bill was passed) and it would **enact a new requirement** that bottlers turn over any unclaimed bottle deposit revenue to the state.

Bottle Bill Bottled Up

Governor Pataki was never a supporter of the BBBB. When asked his opinion on the legislation in 2003, he was reported to have responded, “I have never thought that there was merit or justification for that.” Senate Majority Leader Bruno has been even more emphatic in his opposition, though there have been some supporters of the BBBB in the Senate, and the Senate minority has shown almost unanimous support for a similar proposal.

The Assembly, by contrast, passed the BBBB in 2005 and

BOTTLE BILL BY THE NUMBERS



TOTAL \$ =
20,165,950

A total of \$20,165,950 has been spent on lobbying and campaign contributions by proponents and opponents of the Bigger, Better Bottle Bill since 2003. While the two sides’ lobby spending was approximately even, bottlers blew out environmentalists and other supporters when it came to campaign contributions.

LOBBYING: \$15,605,499

An Even Matchup

\$6,888,265 was spent on lobbying by groups that support the BBBB and \$6,306,459 was spent by opponents. Additionally, \$1,274,415 was spent by groups that declined to comment on their position, had no position, or whose position was not determined.

CAMPAIGN CONTRIBUTIONS: \$4,560,451.31

An Uneven Fight

\$1,388,272.26 was given by organizations supporting the BBBB and \$2,705,678.47, was given by those that oppose. Groups that declined to comment on their position, had no position, or whose position was not determined gave \$263,298.70.

2006, and included it in its 2007 budget proposal. But without sufficient Senate support, the BBBB languished for years without much hope of passage.

Will Spitzer’s Support Uncork the Debate?

Eliot Spitzer expressed support for the BBBB when he was still in the Attorney General’s office, so it was no surprise that he became an advocate for the legislation once he entered the Governor’s office. The BBBB got its best hope of passage this year, when Spitzer proposed it as a part of his budget. When budget negotiations became heated, the Senate ultimately rejected the proposal as part of the budget.

The question now remains: with Spitzer’s support, will environmentalists and their allies succeed in passing a new bottle bill? Or will opponents prevail in their opposition?

The Big Bottle Brawl

So how does a little bottle of water create a big controversy? How does a nickel incite millions of dollars in political spending? See what proponents and opponents have to say about the battle of the bottle...

What proponents say:

- Almost a third of the bottle deposits paid are never redeemed, and that unclaimed money -- \$91.8 million in 2005 -- now goes to bottlers and wholesalers. Environmentalists and the Governor say that that money should rightfully be used to help boost the size of the Environmental Protection Fund. With the addition of non-carbonated drinks, the Governor expects the state to take in an estimated \$100 million a year.
- The bottling industry has changed since 1982. "New age" beverages such as bottled water, ready-to-drink teas, juices and sports drinks, which were virtually non-existent in 1982 and therefore not part of the original law, now make up more than 27% of New York's beverage market. Proponents say it's time for the law to catch up.
- Curbside recycling isn't enough. The current 80 percent recycling rate for beer and soda is obtained only through the combination of the bottle law (70%) and curbside recycling (10%). By comparison, the recycling rate for non-carbonated drinks not covered by the current bottle bill is 20%.
- A strong, comprehensive bottle law reduces litter.



What opponents say:

- The "BBBB" would be onerous for small retailers who would be burdened with the expense and mess of handling a greatly increased number of bottle returns. With storing more used beverage containers comes an increased risk for pest infestation and damage.
- The "BBBB" is effectively a new tax. Opponents rely on research by the bottling industry umbrella group "New Yorkers for Real Recycling Reform" that says the average price of a bottle of juice, iced tea or water could increase by 15 cents, once the deposit and costs like additional sorting and transport are factored in.
- Vending machine operators would be hard hit by the proposal. Many of them will be unable to change their price point to reflect the increased cost, and will be forced to absorb it themselves.
- Those who want to promote recycling should focus on curbside recycling programs, which are less complex and burdensome than the "BBBB" proposal.



Astroturf Lobbying: Bottlers Employ a Familiar Strategy

"New Yorker's for Real Recycling Reform" is a group headed up by the Food Industry Alliance (FIA). According to the group's filings with the state lobby commission, this "coalition" is comprised of "representatives of Coca-Cola, Pepsi, Anheuser-Busch, the Beer Wholesalers Association, Snapple/Cadbury Schweppes and the New York Association of Convenience Stores (NYACS)" in addition to the FIA. NYRRR follows in a long tradition of industries setting up "coalition" groups that essentially serve as front organizations for the industry. NYRRR releases research and lobbies in Albany, serving as a public face of the anti-bottle law alliance.

Campaign Cash Breakdown: Who Got the Money

Opponents:

Senate Republican Campaign Committee—\$727,566 or 27% of total giving
Democratic Assembly Campaign Committee—\$354,450 or 13% of total giving
Republican State Party—\$158,762 (6%)
Spitzer—\$48,916 Pataki—\$22,500

Proponents:

Democratic Assembly Campaign Committee—\$339,775 or 25% of total giving
Senate Republican Campaign Committee—\$338,200 or 24% of total giving
Democratic State Party- \$73,400 (5%)
Spitzer—\$52,850 Pataki—\$1,250

Dollars Pour Through Campaign Finance Loopholes

Soft Money, Hard Cash: Over a million dollars has been contributed by opponents of the BBBB through the "soft money loophole" that allows large, unregulated contributions to be given to political parties in New York State. Proponents of the BBBB gave about \$19,000 worth of soft money.

Over the Legal Limit: While the poor quality of the data collected by the Board of Elections makes it difficult to be certain, it appears as if both Anheuser-Busch and the Miller Brewing Company both violated the \$5,000 aggregate corporate limit in calendar year 2006.

In order to remove the taint of special interest money from politics, NYS should close the soft money loophole and ban corporate contributions.

This fact sheet was created in April 2007 as part of a series called CONNECT THE DOTS, which aims to show how money in politics impacts on issues New Yorkers care about. For more information about Common Cause/NY's CONNECT THE DOTS coalition, call 1-800-300-8707. This project was made possible by support from the Robert Sterling Clark Foundation.