



New York State Association of Beverage Centers, Inc.

51 West Garfield Street • Bay Shore, New York 11706

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I am Jared Kane, a Director of the New York State Association of Beverage Centers and a third-generation beverage center owner. Along with my dad I manage a business founded by my grandfather in the 1950s, now with locations in East Meadow and Bay Shore, Long Island. We thank the committees for the opportunity to participate in this forum.

Who We Are: The New York State Association of Beverage Centers (NYSABC) is a statewide trade association representing the interests of the roughly 300 New York State Liquor Authority C licenses businesses, from Montauk to Buffalo. C-licenses are wholesale/off-premises retail beer licenses. The items we can sell are limited to beer, soda, water, wine coolers, soft drinks, energy drinks, ice, tobacco products, snack foods, bbq supplies and propane gas. C Licenses are typically small multi-generational family-owned discount beverage centers that are part of the fabric of the communities they serve. Because of their convenience and accessibility, C-Licenses have also done the heavy lifting on container redemptions under New York’s Returnable Container Act (RCA-the “Bottle Bill”) for 40 years, especially in the many areas of the state that are not served by free-standing redemption centers.

Our stores will continue to do the heavy lifting on container redemptions under an expanded Bottle Bill. Today we have 2 “asks”: do a comprehensive study looking at NY and the 9 other states that have Bottle Bills; and fund the Beverage Container Assistance Program.

Bottle Bill Study. New York’s Bottle Bill has achieved many of its objectives, but its operation on the back end is a disaster for dealers and redemption centers. We have to do extensive manual sorting by brand, size, and composition, package and store the empties, then wait for initiators to pick them up, all while we are at their mercy for getting reimbursed for the deposit and handling fees. And the problems will get exponentially worse if the law is expanded.

The State needs to do more than just graft changes onto the rickety structure of a 40-year-old law. We recommend a comprehensive study by a neutral, independent agency, in a forum in which all stakeholders can participate, which should result in comprehensive recommendations that would make New York’s Bottle Bill work more effectively, and more fairly, for the environment, for consumers and for businesses.

- The study should consider New York’s 40-year experience with the Bottle Bill AND the experience of the 9 other states with Bottle Bills, at least 4 of which (California, Michigan, Maine, and Iowa) are in the process of changing their laws.
- The study should consider Issues like the effect of expansion, especially adding wine and liquor bottles; the impact of expansion on small businesses: and examine more effective ways to collect empties from dealers and redemption centers (for example, Collection Cooperatives, like the ones in Michigan and Maine, state-supported third parties that collect empty containers from dealers and redemption centers on behalf of all initiators).
- Doing the study does not have to delay the effective date of any changes, the study can start immediately, and can be completed before any changes are scheduled to take effect.
- We recommend the New York State Law Revision Commission, an existing state entity, charged by statute to “examine the common law and statutes of the State and current judicial decisions for the purpose of discovering defects and anachronisms in the law and recommending needed reforms”.

Beverage Container Assistance Program. In 2009, Section 27-1018 was added to the Bottle Bill to provide for grants to municipalities and businesses to defray the costs of Reversible Vending Machines (RVMs) and other expenses related to collecting and sorting containers. However, in the 14 years since this section was added, the Legislature has not allocated a single nickel for these grants. That’s right, not one single grant has ever been made, because the Legislature has never funded the program. This is inexplicable, considering the burdens the Bottle Bill imposes on businesses, the fact that few free-standing redemption centers have proven economically viable, and most of all the state retains over \$100 million every year in unredeemed nickels. Finally, S6869 (May)/A7557 (Glick) would remedy this by dedicating 2% of the past year’s unredeemed deposits to the Beverage Container Assistance Program. We think the dollar number is low, but it’s a start. Also, the language needs to be tweaked to make it clear that the grants can be used for purposes other than RVMs, to include emerging technology like optical scanners and sorting machines, as well as other equipment and capital costs related to accepting, sorting and returning containers.

Our counsel has provided staff with drafts of the legislation we’ve proposed.

For more information contact:

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