## **HARTFORD**

Millions of 'nips' sold in CT come with nickel surcharge for litter control. Where were the most sold?



**John Moritz**May 15, 2022









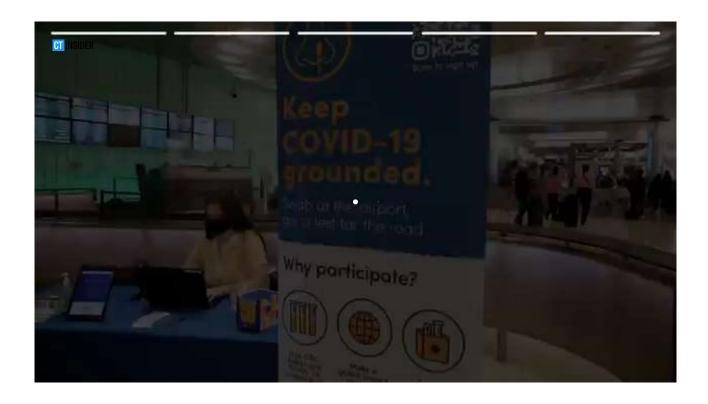
An empty 'nip' bottle lies discarded on a Stamford street in 2016. File photo / Michael Cummo / Hearst Connecticut Media

File photo / Michael Cummo / Hearst Connecticut Media

The sale of nearly 37.6 million miniature bottles of liquor, or "nips," in Connecticut between October and April netted municipalities more than \$1.8 million in environmental cleanup fees under a new stewardship program launched by lawmakers last year.

The "nickel for Nips" program was established as part of a <u>broader overhaul</u> of Connecticut's decades-old bottle deposit program signed into law by Gov. Ned Lamont. The legislation added a five-cent surcharge to the sale of liquor bottles smaller than 50 milliliters, with the money eventually going back to the cities and towns where the nips were sold to help fund litter control or efforts to reduce trash buildup.

Municipalities received the first round of funding last month, with the largest checks going to the municipalities of Hartford, Manchester, Bridgeport, New Haven and Waterbury, each of which sold more than a million nips bottles.



"The number itself should tell you why we had to do something," said state Rep. Joe Gresko, D- Stratford, a co-chair of the Environment Committee and sponsor of last year's bill to establish nips program. "Thirty seven million of these little suckers that usually find their way anywhere but a trash receptacle."

New Haven led the state in nips sales, with more than 1.5 million bottles sold over six months, enough for a return of \$78,690 to the city's coffers.

Altogether, at least 163 municipalities in the state received some money from the sale of nips bottles, according to data provided to the state. Six towns — Bridgewater, Colebrook, Eastford, Hartland, Lyme and Union — had no reported sales.

But what those towns actually do with the money, meanwhile, is largely up to local leaders so long as it pertains to reducing trash or litter.

The text of the law offers several suggestions for towns, such as hiring a recycling coordinator, purchasing a street sweeper or installing storm drain filters designed to catch discarded nips and other waste before they flow into local waterways. However, it does not include a deadline for when using the money, or any oversight mechanism for the state to ensure it is properly spent.

Many local leaders are just coming to terms with the amount of money involved in the program, said Donna Hamzy, an advocacy manager at the Connecticut Conference of Municipalities.

"I just don't don't think the towns have fully wrapped their heads around what they're going to do with it," Hamzy said, adding later, "I think they're just happy to be receiving it at all." In Bridgeport, Sustainability Coordinator Chadwick Schroeder said officials wer still weighing how to "maximize" the impact of the \$59,068 the city received last month. Much of the focus will be on sustainability and "green" programs geared around addressing the impacts of climate change, he said. In Bridgeport, Sustainability Coordinator Chadwick Schroeder said officials were

Likewise in Stamford, a spokeswoman for Mayor Caroline Simmons said the city has yet to come up with a plan for spending the \$35,425 that the city received.

While municipal leaders ponder ways to spend the money flowing in from nips sales, industry leaders say returns from the first six months of the program were slightly lower than they anticipated, but could eventually rise to about \$4 million a year.

"It's a little less, and we don't know why," said Lawrence Cafero Jr., executive director of the Wine and Spirits Wholesalers of Connecticut, which represents the state's eight largest wholesale distributors and collected the data on "nips" sales.

Two possible reasons for the slightly lower-than-expected sales, Cafero said, could be that retailers stocked up on their supply of nips before the five-cent surcharge went into effect Oct. 1, or that customers simply slowed their purchases after prices went up on the tiny bottles.

"We can speculate as to why and I think the next six months might be telling," he said.

The law requires that wholesalers collect the surcharge when delivering shipments of nips to package stores, which then recoup the money with a nickel surcharge that shows up on a customer's receipt. Every six months, in April and October, the wholesalers must report their sales to the state Department of Revenue Services and the Department of Consumer Protection.

A spokeswoman for DCP, Kaitlyn Krasselt, said this week that of the more than 70 wholesalers operating in the state, only those affiliated with Cafero's organization have submitted their sales data. The Department of Revenue Services did not provide information on what data the agency has received.

Cafero said that many of the smaller distributors that chose not to share their data through the wholesalers association either don't sell nips or do so in small quantities. He estimated that the distributors sending their data through his organization represent around 95 percent of the wholesale industry in Connecticut.



John Moritz is a reporter with Hearst Connecticut Media Group, covering politics, courts and the environment. A native of Norwalk, he spent five years reporting on news and politics in Arkansas, where he won awards for stories on an epidemic of gun violence and the state's execution of four prisoners in 2017. He holds a degree in journalism and political science from Temple University.