



California Beverage Container Recycling Program (Bottle Bill) and Related Legislation



About the Current Bottle Bill

Main Concerns

- Declining Recycling Rates
- Closed Redemption Centers
- Single Stream Contamination
- Heavily Subsidized Programs
- BCRF Deficits
- China Sword

2021-22 Bottle Bill Legislation

Origins of the Bottle Bill.

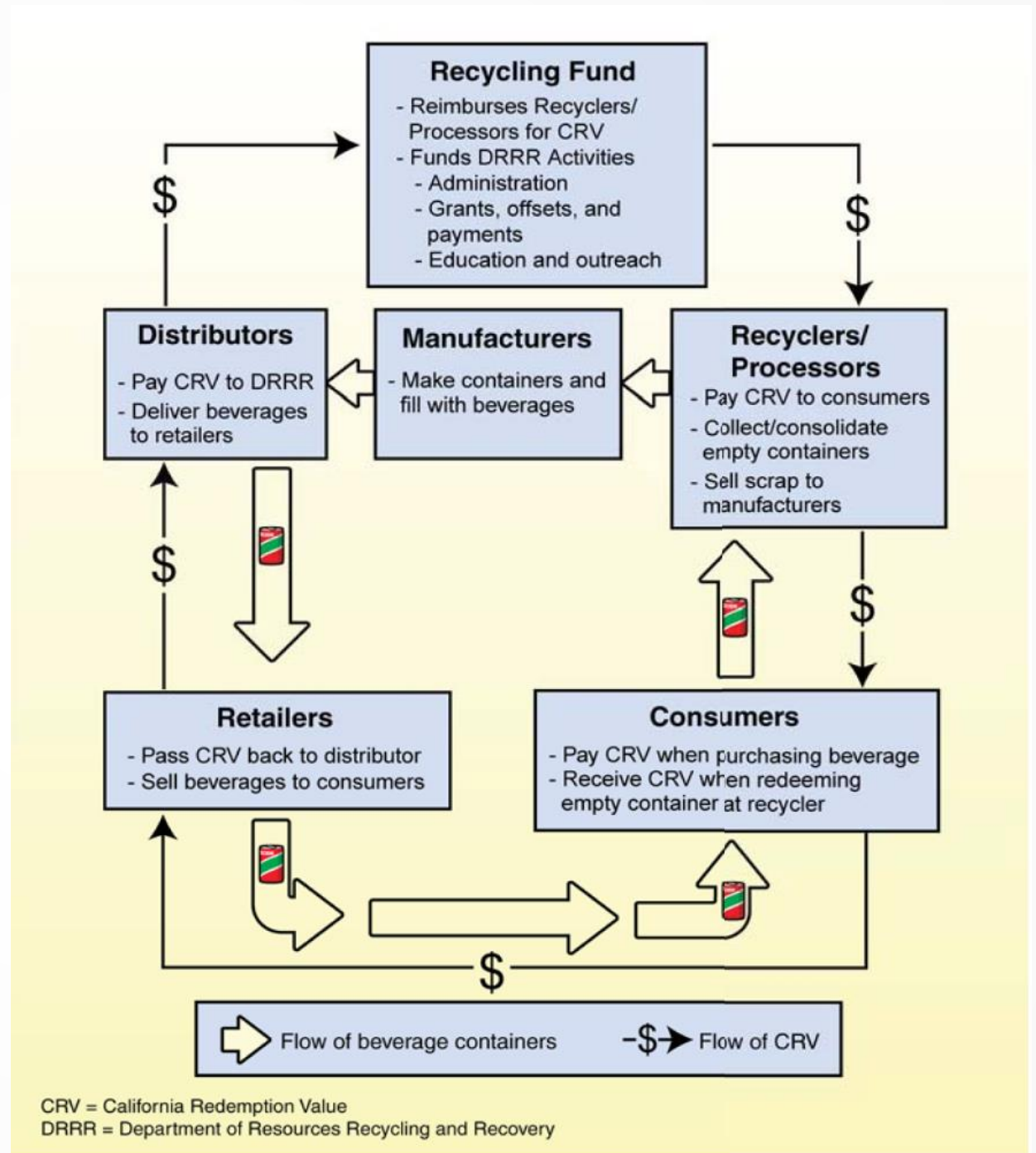


In the 50's and 60's, refillable 'deposit' bottles were replaced by throwaway, no-deposit beverage containers that created litter and wasted resources.



[The California Beverage Container Recycling and Litter Reduction Act \(AB 2020, Margolin\)](#) passed in 1986 and became effective on September 1, 1987.

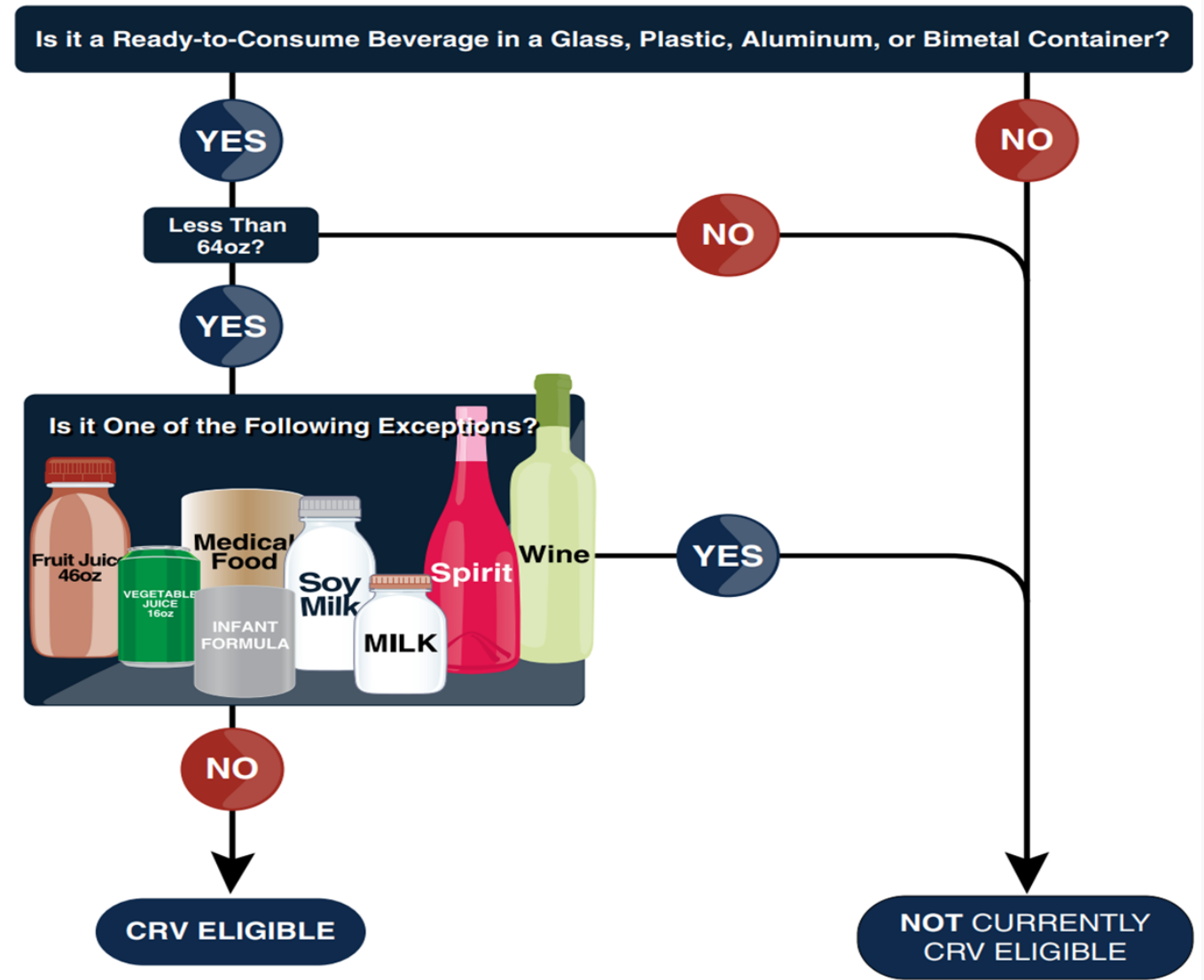
How does California's Container Deposit System Work?



CRV fees/deposits and refund.

- ▶ Distributors currently pay a per container fee (CRV) of 5¢ <24 oz and 10¢ >24 oz
- ▶ Consumers pay a deposit at purchase and may receive their refund of 5¢ < 24 oz and 10¢ > 24 oz container redeemed.

CRV Eligible Containers



CRV = California Redemption Value.

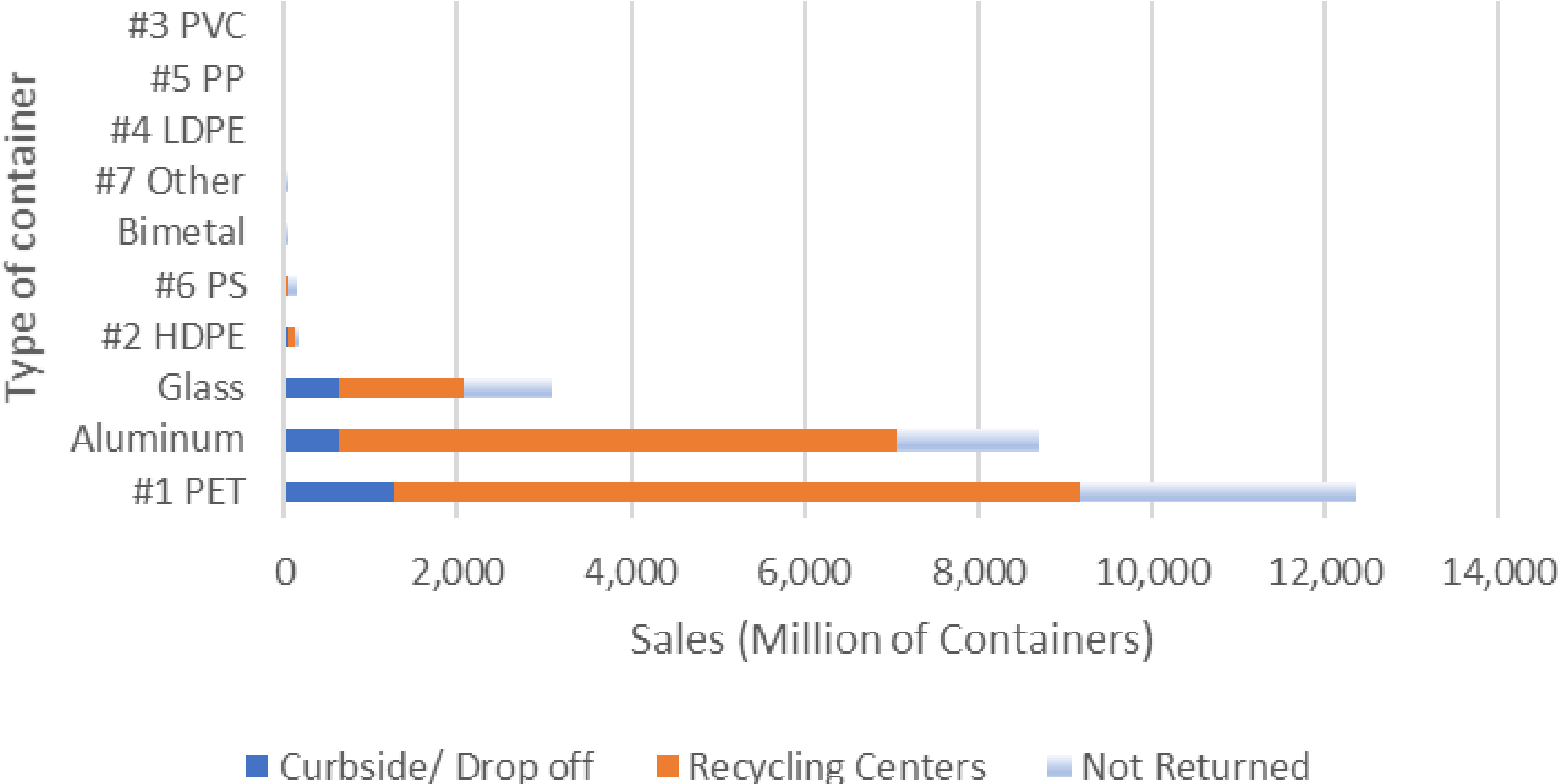
Ways to Recycle Beverage Containers

- Return the container to a “convenience zone” recycling center
- Return the container to an “old line” recycling center,
- Dealers within an underserved zone
- Consumers can also forfeit their CRV and “donate” their containers to residential curbside recycling collection.

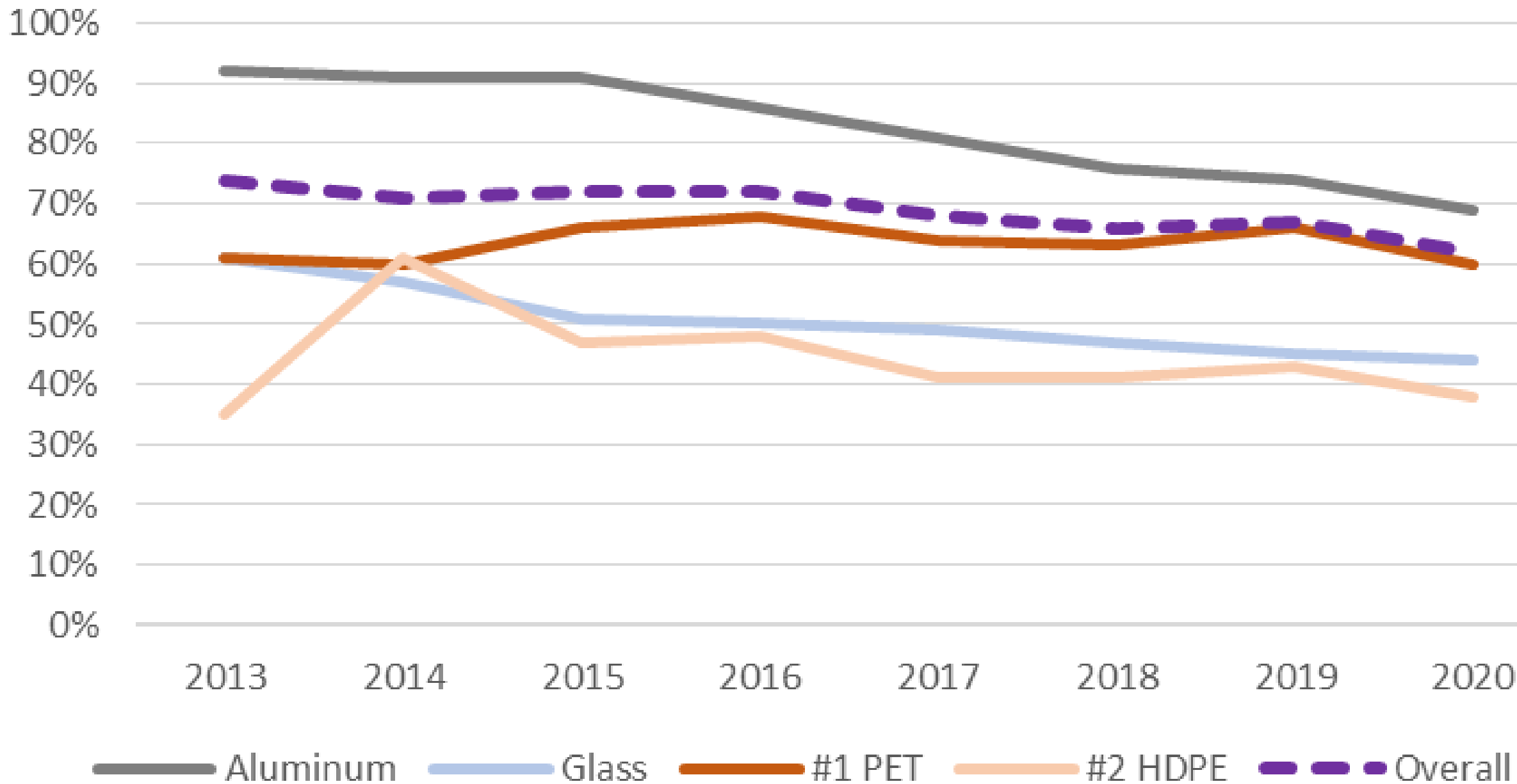


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2019 Sales and Returns



Redemption Rates

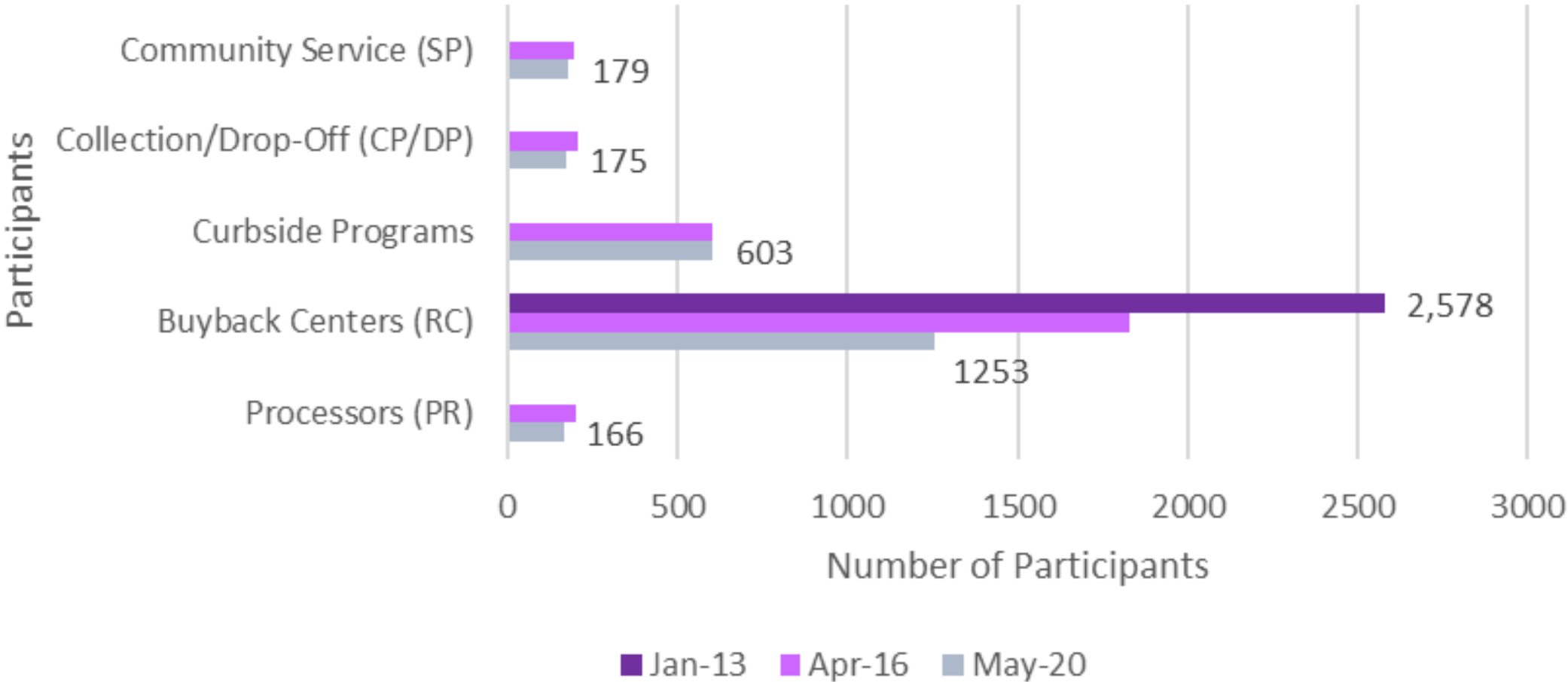




Convenience Zones

- Supermarkets/ Retailers who sell a variety of groceries with gross annual sales of \$2 million or more are required to redeem beverage containers on site (in-store or in the parking lot) unless there is a state-certified redemption center located within one-half mile radius.
- The one-half mile radius around beverage container retailers is known as the convenience zone.
- A retailer in an unserved convenience zone (one without a functioning redemption center) may choose, after a 60-day grace period, to pay CalRecycle \$100 per day in lieu of redeeming containers on site or establishing a redemption center in the convenience zone.
- There are approximately 965 Convenience Zones in LA County and only 395 are considered served, meaning they have a certified recycling center available.

Decline in Recycling Centers



CONTAMINATION IN COLLECTION

TRASH CAN



19%
CLEAN
RECYCLABLES

RECYCLING CONTAINER



65%
CLEAN
RECYCLABLES

RECYCLING CENTER



98%
CLEAN
RECYCLABLES

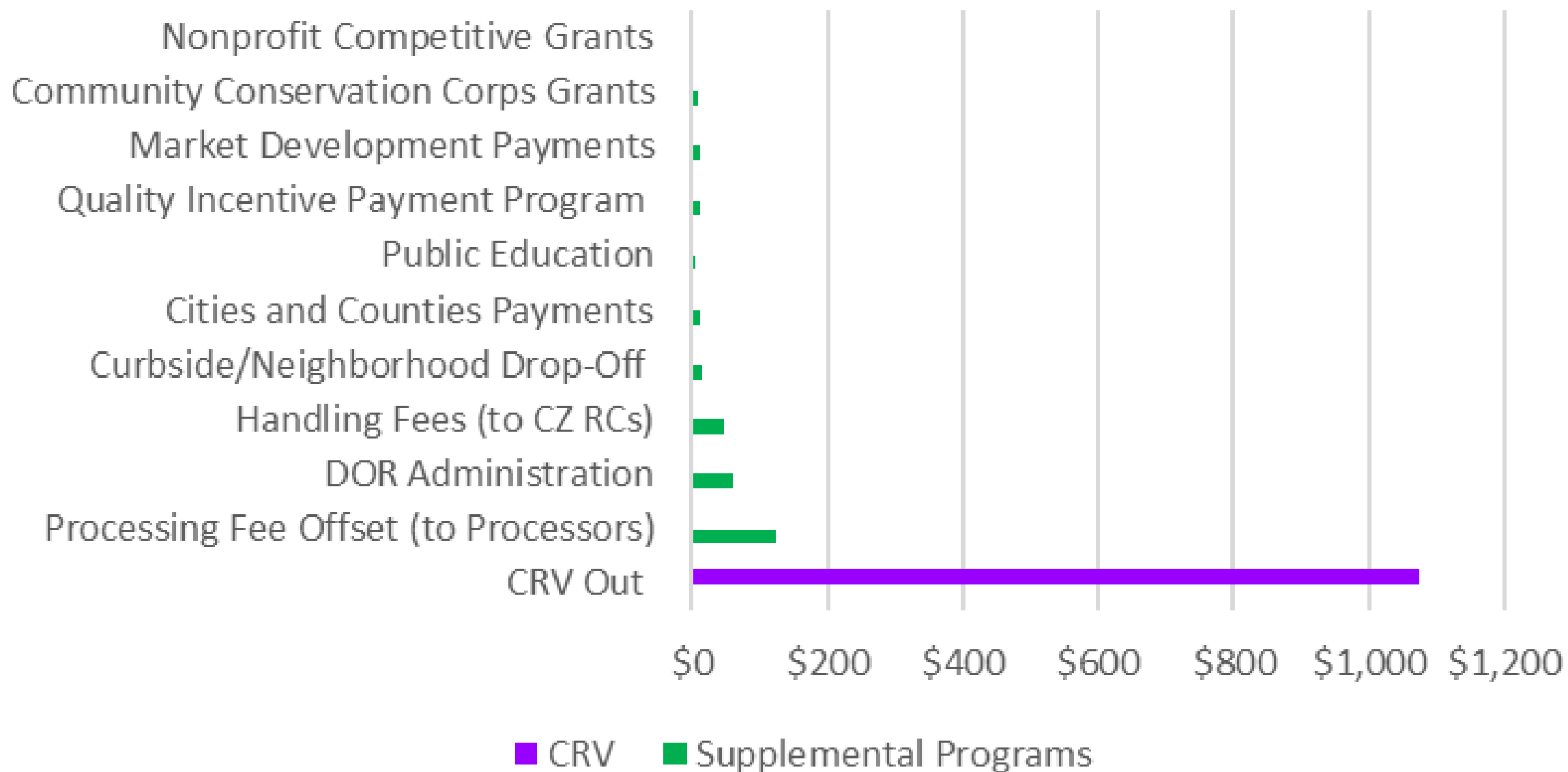
“single stream” recycling



Who keeps the “unclaimed” deposits?

- ▶ When a consumer chooses not to return a beverage container for a refund, the deposit money is considered “unredeemed.”
- ▶ Unredeemed deposits are placed in the BCRF administered by CalRecycle and used for program administration, program payments, and grants.
- ▶ For many years, the BCRF operated with a surplus.
- ▶ In recent years, the BCRF expenditures has operated at a loss.
- ▶ Now, because of declining recycling the fund is healthier.
- ▶ California is the only state that allows curbside haulers to redeem consumer deposits.

2019 Expenditures in Millions



2019 Processing Payments

TOTAL 2019 PROCESSING PAYMENTS PAID TO RC, CS, CP/DP, SP (MILLIONS)

Material	Processing Payments Paid
Glass	\$66.347
#1 PET	\$62.710
#2 HDPE	\$4.236
#3 PVC	\$0.000
#4 LDPE	\$0.006
#5 PP	\$0.038
#6 PS	\$0.123
#7 Other	\$0.374
Bimetal	\$0.264
Total Processing Payment	\$134.097

Processing payments offset the actual cost of recycling materials when that cost exceeds the scrap value.

China National Sword

In February 2017, China announced a new policy to reduce the amount of contaminated materials entering the country. Beginning in January 2018, the policy:

- ▶ restricts the import of certain recyclable materials such as low grade plastics.
- ▶ sets contamination limit to 0.5% which according to the recycling industry is extremely difficult and costly to achieve.
- ▶ Due to the National Sword, prices of recyclables significantly dropped and are continuing to drop.
- ▶ Currently, some materials that have been separated and baled are being landfilled due to a lack of markets.



Possible revisions to the Bottle Bill

- ▶ Require retailers to redeem CRV containers, no more exemptions
- ▶ Create a market-based system where beverage Distributors are responsible for running the program
- ▶ Revise subsidy system for recycling programs including eliminating processing fee offsets
- ▶ Establish minimum recycling rates for aluminum, glass and PET containers
- ▶ Require minimum recycled content in containers to create a market for recyclables
- ▶ Include wine and other bottled spirits in the CRV program

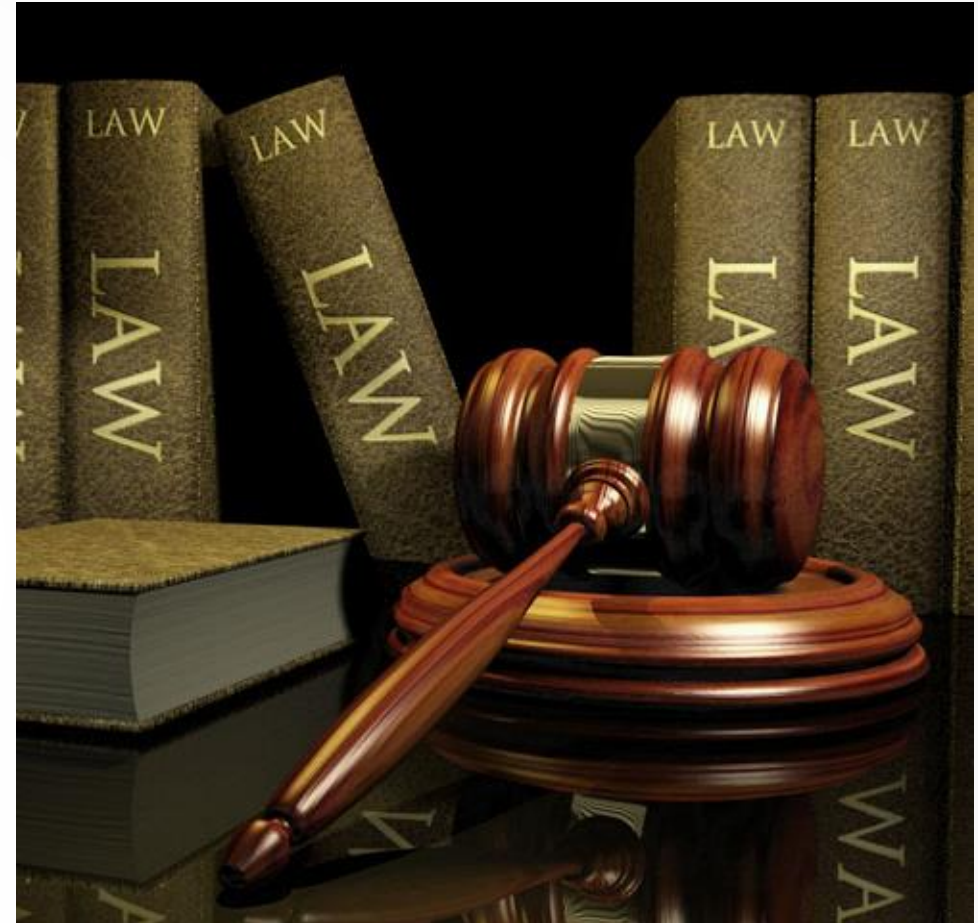
Current Related Legislation

Active Bills:

- ▶ AB 962 (Kamlager and Lorena Gonzalez), California Beverage Container Recycling and Litter Reduction Act: returnable beverage containers
- ▶ AB 1311 (Wood), Recycling: beverage containers
- ▶ AB 1454 (Bloom & O'Donnell), California Beverage Container and Litter Reduction Act
- ▶ SB 38 (Wieckowski), Beverage containers

2-Year Bills:

- ▶ AB 1067 (Ting), Beverage containers
- ▶ SB 451 (Dodd), Beverage containers recycling: pilot program



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Current Related Legislation (cont.)

- **AB 962 California Beverage Container Recycling and Litter Reduction Act: returnable beverage containers**
 - Specifies that returnable beverage containers can be included in the current Bottle Bill by allowing returnable beverage containers to be considered cancelled if the processor transfers the empty container to a CalRecycle approved washer.
- **AB 1311 Recycling: beverage containers**
 - This bill offers several minor changes that will create flexibility in the bottle bill program for redemption centers to operate on alternative schedules and by appointment. This bill updates the program to allow bag drop programs.
- **AB 1454 California Beverage Container and Litter Reduction Act**
 - This bill authorizes CalRecycle to establish regional convenience zones, expands the payment options for the California Redemption Value (CRV) and increases processing payments for certified recycling centers for a specified number of beverage containers.

Current Related Legislation (cont.)

➤ **SB 38 Beverage containers**

- Intends to establish the Beverage Container Recycling Program including forming the Beverage Container Stewardship Organization and creating a beverage container stewardship plan for the recycling of bottles and cans by July 1, 2024, to replace the current Bottle Bill, which this bill revises and sunsets July 1, 2024.

➤ **AB 1067 Beverage containers**

- Would revise the beverage container recycling goal to establish beverage container recycling rate goals of 80% by 2025, 85% by 2030, and 90% by 2035. Would include urban areas within a specified mile radius of a supermarket under the “Convenience zone” definition; adds bag drop locations to the definition of “recycling location”

➤ **SB 451 Beverage containers recycling: pilot program**

- Would authorize the establishment of a three-year pilot program, which may operate in multiple jurisdictions, for the collection and recycling of beverage containers, which may include beverages and beverage containers not currently covered by the current Bottle Bill program.

QUESTIONS



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