



July 10, 2008

Board of Supervisors, Stanislaus County
1010 10th Street Suite 6500
Modesto, CA 95359

RE: SB 1625 (Corbett) Bottle Bill Update – Support

Dear Chairman of the Board of Supervisors of Stanislaus County,

Californian's Against Waste urges your support of Senate Bill 1625 by Ellen Corbett, which will help reduce plastic litter, waste and marine debris by expanding California's successful Container Recycling Law to include all plastic bottles. This expansion will add over \$100 million in additional annual revenue for local governments to implement recycling programs.

Managing plastic waste poses a growing cost burden on local governments. The collection and disposal of plastic bottles costs local governments and ratepayers in excess of \$32 million annually. The increase in recycling as a result of SB 1625 will—at minimum—cut this disposal cost in half. What little plastic bottle recycling is occurring now is primarily being subsidized by local governments and ratepayers, at the rate of more than \$16 million annually. SB 1625 will eliminate these existing costs to curbside recycling programs and instead provide curbside programs with more than \$67 million in new recycling program revenue. SB 1625 and the resulting growth in recycling represents a net revenue benefit to local governments and curbside recycling programs of roughly \$100 million annually.

California generates more than 6.5 billion plastic bottles and approximately 300 million plastic-coated beverage boxes and cartons annually, none of which are currently covered under existing law. And while upwards of 95 percent of these containers are 'technically recyclable' less than 12% are currently being recycled. That means more than 220,000 tons of plastic and plastic-coated paper is littered or landfilled in California annually.

This proposal would add a 'California Refund Value' of 5 cents (10 cents on containers 24 ounces and larger)—and apply the resources, infrastructure and incentives of California's most successful recycling program—to the problem of nearly 6 billion plastic bottles and plastic coated containers that are landfilled or become litter and marine debris in the state annually.

When implemented, this measure will result in the recycling of more than 3 billion additional plastic bottles, reducing littered and landfilled plastic waste by 130,000 tons annually. For all these reasons, we urge your support on this important expansion to the bottle bill and California's recycling program.

Sincerely,
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cawrecycles.org

SB 1625 – PLASTIC BOTTLE RECYCLING AND MARINE DEBRIS POLLUTION PREVENTION

Senator Ellen Corbett

CORRESPONDENCE NO. 7
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IN BRIEF

SB 1625 aims to significantly reduce the amount of plastic litter pollution entering our marine environment by expanding the scope of California's successful Bottle and Can Recycling Law to include all plastic bottles. Plastic marine debris pollution is a serious and growing problem, the source of which is right here on land. Up to 80% of marine debris pollution consists of plastic from urban litter. Containers under California's Bottle and Can Recycling Law are littered less than other plastic items because they have a redemption value. However, because plastics are the fastest growing component of the waste stream, only about 50% of plastic bottles are currently covered by California's Bottle and Can Recycling Law. Expanding the program to include all plastic bottles will significantly reduce plastic litter pollution and will result in the recycling of more than 3 billion additional plastic bottles, reducing littered and landfilled plastic waste by 130,000 tons annually.

THE ISSUE

Marine debris pollution is poisoning our ocean and burdening our \$43 billion dollar ocean economy. Plastic bottles are the second most-commonly found plastic litter item on beaches, behind takeout food packaging. Plastic bottle litter does not biodegrade; instead it breaks into smaller pieces as a result of radiation from the sun. These pieces kill millions of sea birds and thousands of marine mammals and endangered sea turtles, as well as countless fish, who mistake them for food. Litter pollution in the Pacific Ocean congregates into a giant "garbage patch" North of Hawaii that is twice the size of Texas. In this "garbage" patch plastic outweighs plankton by a factor of 46!

Since its implementation in 1987, California's Bottle and Can Recycling Law has drastically reduced the presence of regulated containers in the litter stream and has increased container recycling levels to record levels.

California generates more than 6.5 billion plastic bottles and approximately 300 million plastic-coated beverage boxes and cartons annually, none of which are covered under existing law. While 95 percent of these containers are technically recyclable, less than 12% are actually recycled. That means more than 220,000 tons of plastic and plastic-coated paper is littered or landfilled in California annually. Plastic does not biodegrade—so if not recycled, this waste continues to accumulate, year after year. If littered or blown from receptacles, this accumulating plastics waste can quickly

enter our marine environment through storm drains and creeks.

Municipalities have spent billions trying to prevent urban plastic litter from entering our watersheds. This is an especially pressing issue for Southern Californian communities that are required by US EPA Total Maximum Daily Loads (TMDL) for Trash to reach 0 trash levels by 2014. This is a serious and costly issue that requires a State solution.

The collection and disposal of plastic bottles costs local governments and ratepayers in excess of \$32 million annually. SB 1625 will eliminate these existing costs to curbside recycling programs and instead provide curbside programs with more than \$67 million in new recycling program revenue. SB 1625 and the resulting growth in recycling represents a net revenue benefit to local governments and curbside recycling programs of roughly \$100 million annually.

EXISTING LAW

California's Bottle and Can Recycling Law requires that regulated containers be assigned a refund value that is redeemed by consumers when the container is recycled. Alternatively, consumers can donate the container to a nonprofit recycler. Unredeemed funds are used to fund curbside recycling, litter abatement, market development grants, and other programs. Currently, California's Bottle and Can Recycling Law covers beer and malt beverages, soft drinks, water, sports drinks, and other specified beverages in glass, plastic and aluminum containers.

WHAT THE BILL DOES

SB 1625 will add all plastic bottles to California's Bottle and Can Recycling Law, including food product bottles, cosmetic product bottles and cleaning product bottles. SB 1625 ends the exclusion from the program given to certain paperboard and aseptic containers. SB 1625 also ends the confusing practice of calculating an inflated "redemption rate" and will instead rely upon the more accurate "recycling rate" and provides a temporary processing fee fix so that existing program members are not unfairly penalized by the temporary recycling rate fluctuation caused by the inclusion of new containers.

SUPPORT

Californians Against Waste (Sponsor)
Alameda County Waste Management Authority

Alameda Countywide Clean Water Program
Allied Waste Industries
California League of Conservation Voters
California Refuse Removal Council
California State Association of Counties
City and County of San Francisco Department of
Environment
City of Bakersfield
City of Dublin
City of Fairfield
City of Fremont
City of Manteca
City of Pleasanton
City of Riverside
City of Sacramento
City of Santa Barbara Environmental Services
City of San Jose
County of Contra Costa
County of San Bernardino
County of Santa Clara
Contra Costa County Clean Water Program
Del Norte Solid Waste Management Authority
Environment California
Glass Packaging Institute
Haight and Ashbury Neighborhood Council
Heal the Bay
League of California Cities
Natural Resources Defense Council
Napa Recycling and Waste Services
Northern California Recycling Association
Owens-Illinois
Planning and Conservation League
Regional Council of Rural Counties
Surfrider Foundation
The Sierra Club
Waste Management

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OPPOSITION

American Chemistry Council
California Grocers Association
California Chamber of Commerce
California Nevada Soft Drink Association
California Recycling Services Corporation
Clorox
Coalition of Independent Recyclers
Consumer Specialty Products Association
SC Johnson
Soap and Detergent Association

FOR MORE INFORMATION

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Mark Murray and Bryan Early

Summary of Proposed Amendments to SB 1625 (Corbett):

Reduce Plastic Litter, Waste and Marine Debris by Expanding California's Container Recycling Law to all Plastic Bottles

Summary of Proposal: Expands the scope of containers covered by California's successful container recycling program to include the more than 6.5 billion non-CRV plastic bottles and the approximately 500 million plastic-coated paperboard beverage boxes and cartons generated in California annually. This proposal would add a 'California Refund Value' of 5 cents (10 cents on containers 24 ounces and larger), and apply the resources, infrastructure and incentives of California's most successful recycling program to the problem of nearly 6 billion plastic bottles and plastic coated containers that are landfilled or become litter and marine debris in the state annually. This measure would also authorize the department of conservation to utilize a portion of surplus redemption funds to offset processing fees for containers with high recycling rates.

Summary Provisions:

- 1) Expands program to include plastic coated paperboard box and carton beverage containers.**
- 2) Expands program to include most plastic bottles, regardless of content.**
- 3) Authorizes Department of Conservation to utilize surplus unredeemed funds to cover recycling costs (rather than processing fees) for 2009 & 2010.**

Section 1. Adds uncodified findings & declarations

Section 2. Renames the division: California Beverage Container Recycling Act.

Section 3. Amends Statutory Findings to strike out-dated goal of a '65 percent redemption rate'.

Section 4. Amends definition of 'beverage' to close exemption loopholes for: vegetable juices; nut, grain and soy beverages; and beverages packaged in plastic coated paperboard boxes and cartons.

Section 5. Amends Definition of 'CRV container' to include all 'plastic bottles' as defined. Specifies that whenever the term 'beverage container' is used in the statute it includes non-beverage plastic bottles as well as beverage containers.

Section 6. Renames Fund: California Beverage Container Recycling Fund.

Section 7. Adds new definition for 'Plastic Bottle'. Definition is consistent with description of bottles covered by Rigid Plastic Packaging Container law and Resin Identification Code law.

Section 8. Adds new definition for “Product” manufacturer to be consistent/parallel and have same responsibilities under the act as ‘beverage manufacturer’.

Section 9. Strikes from statute existing, outdated, definition of ‘redemption rate’.

Section 10. Amends Recycling Rate calculation and reporting provisions to strike the department’s requirement to provide the redundant, confusing and arbitrary determination of a ‘redemption rate’ for containers. While the ‘recycling rate’ is the commonly used ratio of materials recycled divided by materials sold, the ‘redemption rate’ is a creation of the original statute that adds to the numerator of the recycling rate ratio an arbitrarily determined amount of non-redemption value containers recycled. The mathematical formula for this calculation is: $A + B + [C - (0.05x(a+b))]$ divided by D, with the following values:

- A = number of empty beverage containers returned
- B = refillables returned
- C = non-crv containers returned
- D = beverage containers sold.

Using this outdated and arbitrary formula it is possible to have a ‘redemption rate’ in excess of 100%. For example, the ‘redemption rate’ for HDPE containers in 2006 was 168 percent.

The calculation and reporting of ‘redemption rates’ as defined in the statute has no value or consequence. It’s continued requirement adds confusion to an already complex program and undermines confidence in other department recycling rate data.

Section 11. Amends Processing Fee provisions. Most changes are technical and clean up in nature. The only substantive amendment would provide a mechanism, whereby if the department determines that a surplus of \$150 million or more exists in the Container Recycling Fund, the department has the authority to utilize a portion of those unredeemed funds to offset the processing fees that would otherwise be set on any container with a recycling rate 55 percent or greater in 2009 and 60 percent in 2010. This provision is consistent with processing fee offset provisions in place in 2007.

Summary of Benefits: While roughly 96% of non-CRV plastic bottles are technically ‘recyclable’ less than 12% are currently recycled. Applying a consumer recycling incentive represents the best, most cost effective strategy for substantially increasing the recycling of the more than 6.5 billion non-biodegradable, petroleum-based plastic bottles generated in California annually. Adding these bottles to the Container Recycling Law, with its recycling incentives, opportunities and infrastructure, is projected to result in a fourfold increase in the recycling level more than 4 fold, to 50% (or more). The barriers to recycling these plastic containers includes: cost, lack of incentive and infrastructure. Expanding the scope of the container recycling law represents the best response to these barriers and would result in **3 billion additional plastic containers recycled** each year.

Background: California generates more than 225,000 tons of non-CRV plastic bottles annually.