

FOR IMMEDIATE RELEASE: Thursday, May 14, 2020

CONTACT: Jordan Wilhelmi | jordan@unbendablemedia.com | 612.281.2310

NEW REPORT: California's Bottle Bill in Crisis as Redemption Rates Fall to 66 Percent, Container Recycling Program Fails to Meet Targets

Advocates Call for Use of \$400M in Unspent Funds to Make Recycling Safer, More Convenient and Create 5,000 New Jobs

CALIFORNIA — Today, the Changing Markets Foundation and National Stewardship Action Council (NSAC) released a new report detailing how the California Beverage Container Recycling and Litter Reduction Act (AB 2020), also known as the "bottle bill," has seen redemption rates fall to 66 percent in the last several years – a significant decline from the 85 percent recycling rate it once held, and the 80 percent target in the legislation.

The report, *Genie in a Bottle: Unlocking the full potential of California's bottle bill*, highlights how this precipitous decline in the program's redemption function has occurred, and also looks at the opportunities to update California's bottle bill to meet the desires of the overwhelming majority of Californians – [74 percent, according to polling in the report](#) – who support doing more to reduce plastic pollution.

READ THE REPORT:

<http://changingmarkets.org/wp-content/uploads/2020/05/GENIE-IN-A-BOTTLE-UNLOCKING-CALIFORNIAS-BOTTLE-BILL-web.pdf>

According to Eunomia Research & Consulting, redemption rates have declined primarily due to a 53% reduction in recycling centers since 2013. From 2013 to 2019, more than 1,200 recycling centers closed, resulting from underfunding the recycling centers. Since 53 percent of recycling centers have closed, the state-wide recycling rate has dropped by 10 percentage points. Ongoing effects of the COVID-19 pandemic will likely accelerate this trend. If half of the remaining recycling centers close, the number of tons of beverage containers landfilled will rise by 30%, leading to the increase in greenhouse gas (GHG) emissions equivalent of putting more than 27,000 more cars on California's roads each year.

Last week, the California Resource Recovery Association held a web conference on "Beverage Container Redemption Challenges During COVID-19," highlighting these growing concerns. In the first few weeks of the "shelter-in-place" orders, volumes were down 60-70%. In addition, the crisis is making it increasingly difficult to compete with virgin materials. Aluminum pricing has experienced a 30% drop, and PET prices will likely drop 50% in the next few weeks. The recycling centers are dependent on revenues from the sale of scrap materials and this will make it more difficult for the centers to survive financially. Recycling centers in Sacramento are now operating at 80% capacity, while San Francisco is now operating at 60% of normal volume, with 600-700 customers per day at one center in the City, which only has 4-5 redemption centers.

WATCH THE WEB CONFERENCE:

<https://www.youtube.com/watch?v=PyFIFfSxnJQ&feature=youtu.be>

As their solution, Changing Markets and NSAC suggest unlocking the Beverage Container Recycling Fund's \$400 million in unspent funds, over the years, to start bringing the program to the best-in-class (BiC) level. Those funds would be used to revitalize the program and work toward the goal of eventually collecting 96 percent of beverage containers for recycling. In order to achieve that BiC redemption rate, the report recommends making it much easier for consumers to return empty bottles and cans through investment in additional pilot programs, such as locating redemption centers where customers already go, allowing "bag drop" programs and hands-free reverse vending machines, and expanding to include wine and liquor containers, among other measures.

According to a [YouGov survey](#) conducted for the Changing Markets Foundation in early March 2020, awareness and lack of convenient redemption opportunities remain the biggest hurdles to the bottle bill's success. Over a third of Californians (37%) are not aware of the bottle bill and 53% never use redemption centers. Of those Californians who are unaware of the bottle bill or only sometimes, rarely, or never use redemption centers, 70 percent say they would be more likely to return their bottles and cans to redeem their deposits, if the system were more convenient.

The report also highlights that an update of the bottle bill can lead to immediate economic benefits and the creation of new jobs. Currently, the program fails to return \$400 million in deposits to residents each year. An updated, convenient, and effective collection program with a redemption rate of at least 90% would provide instant refunds to residents of \$1.2 billion per year. And revitalizing and modernizing the program could ensure job security for the 8,000 people currently employed in the system, while potentially creating 5,000 new jobs.

The environmental benefits of investing in revitalizing the program remain obvious. The report details that bringing the program to BiC will lead to GHG emission savings equivalent to taking 86,000 passenger cars off the road per year; reduction of litter, equivalent to 215 million fewer containers ending up in the environment and 22 million fewer aluminum and PET containers ending up as marine litter; reduction of clean-up costs to California communities, standing at \$500 million a year; and significant material savings.

"California should seize the opportunity to update the bottle bill now—before the return system loses more recycling centers during the COVID-19 health crisis, and when the public needs their deposits back more than ever," **said National Stewardship Action Council executive director Heidi Sanborn.** "Californians want the promise made for the return to deposit program to be kept and urgently need safer, cleaner and more convenient redemption sites and the existing funds should be invested in these touch-free technologies."

"Public opinion supports more action to address plastic pollution, and Californians say they would use the system more if redemption points became more convenient. Modernization of the bottle bill will also bring significant environmental benefits and reduce financial burden on public authorities that are spending half a billion dollars on clean-ups," **said Nusa Urbancic, Campaigns Director from Changing Markets.** "Unlocking these benefits, California could, once again, show environmental leadership it is famous for."

"When we reviewed the California program back in 2018 the key factor we identified to be contributing to declining return rates was the failure of the current program to ensure that there are sufficient convenient redemption points. The report also found that approximately 80% of recycling

centers revenue is reliant on scrap prices for which it has no control over. Since our 2018 study was carried out additional recycling centers have closed, Covid 19 has hit and scrap prices have failed further exacerbating the situation. If California wants a best-in-class recycling system that is integral to a circular economy the current container recycling program needs reform," **said Sarah Edwards, CEO of Eunomia North America.**

###

The Changing Markets Foundation partners with NGOs on market-focused campaigns. Our mission is to expose irresponsible corporate practices and drive change towards a more sustainable economy. www.changingmarkets.org / @ChangingMarkets

The National Stewardship Action Council (NSAC) was founded in 2015 as an affiliate of the California Product Stewardship Council (CPSC). NSAC is a 501(c)(4) nonprofit organization that engages in research, education, program implementation, lobbying and advocacy work for EPR and Product Stewardship, anywhere in the U.S. and with any level of government or private sector partners interested in legislation that drives a circular economy. www.nsatation.us/ @NSACTION_US

Eunomia Research & Consulting Inc (Eunomia) is a mission driven international circular economy and resource management environmental consultancy. Eunomia is an expert in beverage container recycling programs and extended producer responsibility. Other beverage container recycling system design and analysis carried out by Eunomia includes:

[Reform for a Sustainable Future - The Time is Now](#): This report provides an independent objective review of the contributing factors to the decreasing return rate of California's beverage program. The report identifies the issues causing this decline, and assesses whether they could be addressed through amendments to the current legislation, or if there is need for full-scale program reform.

[Better Together](#): This report, commissioned by circular economy NGO ReLoop, outlines how the introduction of a container recycling program would increase recycling rates and reduce litter in Ontario, Canada.

[Economic Benefits of Expanding New Yorks' Container Deposit Program](#): The report firstly examines the economic impact of, and the jobs created by, the current system. It then goes on to identify the economic and employment benefits resulting from an increase in deposit to 10c and an expanded scope.

www.eunomia-inc.com

The poll was conducted by YouGov Plc. Total sample size was 1003 adults in California. Fieldwork was undertaken between 4th - 8th March 2020. The survey was carried out online. The figures have been weighted and are representative of all Californian adults (aged 18+).