

AB 2530 (Gordon)

Beverage Containers: Use of Recycled Plastic

SUMMARY

Thirty years ago, the Legislature passed and the Governor signed the California Beverage Container Recycling and Litter Reduction Act, better known as the Bottle Bill. This Act established California's systems for the recycling of beverage containers. In the decades since the Bottle Bill was enacted, Californians have embraced recycling beverage containers and roughly 82% are returned for recycling. Given the public's embrace of recycling, consumers should be able to determine whether beverage companies are using recycled plastic in the beverages they purchase.

AB 2530 would require the manufacturer of a beverage sold in a plastic beverage container, subject to the California Redemption Value (CRV), to annually report to the Department of Resources, Recycling and Recovery (CalRecycle) the amount of post-consumer recycled plastic and the amount of virgin plastic that they used in the past year for plastic beverage containers subject to the CRV. CalRecycle would make this information available on its website.

BACKGROUND

The Integrated Waste Management Act requires that local governments divert at least 50% of solid waste from landfill disposal and establishes a statewide goal that 75% of solid waste generated in the state be recycled by 2020.

In support of the diversion mandate and statewide goal, the Bottle Bill, requires beverage containers sold in California to have a CRV of 5 cents for containers that hold fewer than 24 ounces and 10 cents for containers that hold 24 ounces or more.

Consumers pay a CRV when they purchase one of these beverages and distributors pay the collected funds to CalRecycle. The CRV is refunded to the party redeeming the empty container.

According to CalRecycle, in 2014, Californians returned one million tons of CRV containers, or 17.7 billion beverage containers for the year. Of that total, nearly 220,000 tons were plastic CRV containers, which, by recycling keeps this material out of litter and landfill and provides a source of material for use in products made with recycled content.

The most recent figures show that about half of the collected used beverage containers are now processed and remanufactured in California. This reduces pollution and waste, while increasing jobs and economic opportunity in California.

Currently, there are approximately ten companies doing plastic processing, and many more California manufacturers that can use recycled plastic. Together, these companies are employing more than 1000 people. Unfortunately, the recycling market for plastic is facing considerable challenges, with scrap values at their lowest levels in a decade. Expanding the use of recycled plastic in beverage containers will help protect and potentially grow these green California jobs.

In addition to waste diversion and job creation and retention, there are environmental benefits from using this recycled material in California – it reduces demand for new plastic and there is an approximately 70% reduction in greenhouse gas emissions from the use of recycled plastic compared to virgin resin.

THIS BILL

AB 2530 would require the manufacturer of a beverage sold in a plastic beverage container, subject to the CRV, to annually report to CalRecycle the amount of post-consumer recycled plastic and the amount of virgin plastic that they used in the past year for plastic beverage containers subject to the CRV. CalRecycle would make this information available on its website.

Several beverage manufacturers include recycled plastic in some bottles. For example, Arrowhead and Nestle bottled water both report product lines with 50% recycled content, while Naked Juice reports that its bottles are made from 100% recycled content. Unfortunately, information about a beverage company's commitment to using recycled plastic is not always readily available unless the company chooses to market the particular product with labels to that effect. Moreover, information about a beverage company's commitment across all product lines to using recycled plastic is not always readily available or clearly stated.

The reported data will help CalRecycle and policymakers to better assess market demand for California post-consumer recycled content manufacturing compared with collection and recycling levels.

This bill does not impose a mandate to use recycled plastic, although there is significant precedent in the law for that approach. California law includes minimum levels of recycled content for glass bottles, newsprint, rigid plastic containers, trash bags, fiberglass, paper bags, and packaging peanuts. Rather than take that more forceful approach toward manufacturers, AB 2530 aims to make available basic information about manufacturer commitment to using post-consumer recycled material.

Putting this information in the hands of consumers, will:

1. Further support Californians' embrace and expectation of recycling by supporting a closed loop recycling system.

2. Provide consumers with information necessary to make an informed choice about products they purchase.
3. Add value for those beverage producers that have made or choose to make an investment/commitment to using recycled content.

SUPPORT

As You Sow

CarbonLITE Industries

Central Contra Costa Solid Waste Authority

Clean Water Action

EcoPET Plastics, Inc.

Global PET

Los Angeles Alliance for a New Economy

Marin County Hazardous and Solid Waste

Management Joint Power Authority

Marin Sanitary Service

Napa Recycling & Waste Services

Natural Resources Defense Council

Northern California Recycling Association

RePET

Sierra Club California

Sonoma County Waste Management Agency

StopWaste

Tri-CED Community Recycling

UPSTREAM

Verdeco Recycling, Inc.

West Coast Chapter of the Institute of Scrap

Recycling Industries

Zanker Recycling

OPPOSITION

American Chemistry Council

California Bottled Water Association

California Chamber of Commerce

California League of Food Processors

California Manufacturers & Technology Assn

California Nevada Beverage Association

California Retailers Association

Grocery Manufacturers Association

International Bottled Water Association

Plastic Recycling Corporation of California

SPI

FOR MORE INFORMATION

Harry Ermoian

Office of Assemblyman Rich Gordon

(916) 319-2024 ♦ (916) 319-2124 (fax)

harry.ermoian@asm.ca.gov