

products are sold in plastic, glass, bimetal, or aluminum containers in liquid, ready-to-drink form and intended for human consumption. ~~This~~ *The bill would allow a city, county, or public agency to establish or implement recycling-related refund values, or similar fees, on a container that is not made of specified materials.*

This bill would reduce the minimum percentage of postfilled glass to 25% if the glass container manufacturer makes a specified demonstration to the department with regard to its use of mixed color cullet, as defined.

(2) Existing law requires the department to submit an annual report to the Governor and the Legislature regarding the status of the beverage container recycling program.

~~The~~

This bill would delete the requirement for the annual report and would instead require the department to submit a report to the Governor and the Legislature, by July 1, 2001, regarding aseptic and paperboard beverage containers. The bill would require the department to study the impact of the curbside recycling pilot program conducted by the City of San Diego on beverage container recycling rates and to annually pay up to \$3,000,000 per fiscal year to the City of San Diego to expand that city's curbside recycling program, thereby making an appropriation. The department would be required to submit a report to the Legislature, by January 1, 2001, on the impact of the expansion of curbside recycling on beverage container recycling rates in the City of San Diego.

The bill would authorize the department to pay each curbside recycling program a quality glass incentive payment for color-sorted glass collected by the curbside recycling program, in a total of not more than \$3,000,000 per calendar year until January 1, 2003, and would require the department to pay local agencies matching funds for each new household served by curbside recycling, until January 1, 2005. The bill would prohibit the annual total amount paid to local agencies for serving new households from exceeding \$18,000,000.

~~(2)~~

(3) Existing law requires that, for purposes of calculating redemption payments, refund values, and handling fees, a beverage container with a capacity of 24 fluid ounces is considered as 2 beverage containers.

This bill would require that, for purposes of calculating redemption payments, refund values, and handling fees, a beverage container with 20 fluid ounces is considered as 2 beverage containers.

The bill would increase the amount of the redemption payment paid by distributors to 2.5 and would revise the conditions under which the redemption payment is increased to 5.

~~(3)~~

(4) Existing law defines "convenience zone" for the purposes of the act and requires that every convenience zone is to be served by at least one certified recycling center. The Director of Conservation is authorized to grant an exemption from these convenience zone requirements based on specified factors, including that the nearest certified recycling center is within a reasonable distance of the convenience zone being considered for the exemption.

This bill would additionally include, as a factor to be considered in issuing an exemption from convenience zone requirements, that the convenience zone has redeemed less than 60,000 containers per month in the prior 12 months and a certified recycling center is located within one mile of the convenience zone that is the subject of the exemption.

The bill would provide that a mobile recycling program in a rural county, as defined, that operates in compliance with specified requirements would be considered a certified recycling center and would also provide that a mobile recycling program approved by the department is eligible to apply for handling fees, if specified conditions are met with regard to the recycling center and dealers in that zone.

~~(4)~~

(5) Existing law requires the department to pay to a processor, for every empty beverage container received by the processor from a certified recycling center or other program, the sum of the refund value, $13/4\%$ of the refund value for administrative costs, and a processing payment. Existing law requires the processor to pay to a certified recycling center or other program the refund value, $1/2$ of 1% of the refund value for administrative costs, and the processing payment. Existing law also requires a distributor of beverage containers to pay a redemption payment to the department, less $1/2$ of 1% for the distributor's administrative costs. The redemption payment made to the department by a distributor of beer and other malt beverages is required to be made not later than the first day of the second month following the sale.

This bill would increase the amount of administrative costs paid to the processor to $21/2\%$ of the refund value, and the administrative costs paid to the recycling center to $3/4$ of 1% and would increase the administrative costs retained by the distributor to 1% . The bill would increase the time when the redemption payment by beer and malt beverage distributors is required to be made to not later than the first day of the third month following the sale.

~~(5)~~

(6) Under the act, the department is required to calculate a processing fee for each beverage container with a specified scrap value, which is required to be paid by beverage manufacturers for each beverage container sold or transferred to a dealer. ~~Prior to January 1, 1999, until January I, 2000, a processing fee was is required to be imposed annually only if the scrap value for the material is less than the cost of recycling, and, after that date, a processing fee is required to be established pursuant to different criteria. Under the prior January 1, 1999 January I, 2001, law, the processing fee was is reduced in an amount equal to 25% of the redemption payments projected to be paid by distributors of beverages sold in that container type for the previous calendar year.~~

~~This bill would reenact the prior method of calculating the processing fee, and would extend those provisions until January 1, 2005. The bill would revise the cost data used by the department for purposes of calculating the processing fee and would also provide, until January 1, 2005, for the reduction of the processing fee based upon the rate of recycling for the particular type of beverage container.~~

This bill would revise the method of calculating the processing payment and would require the processing payment to equal the difference between the scrap value offered to recyclers by willing purchasers and the cost of recycling containers and a reasonable financial return. The bill would require the department to use specified cost data for the January I, 2000, processing payment calculation. The bill would require the actual processing fee to equal 65% of the processing payment, but the department would be required to adjust the amount of the processing fee, based upon the availability of funds in the processing fee account for that beverage material type. The bill would repeal this method of calculating the processing fee and processing payment on January I, 2008, and would provide for the calculation of the processing fee, after that date, pursuant to different criteria.

~~(6)~~

(7) Existing law requires the department to transfer an amount equal to 25% of the redemption payments, and all processing fees, made for glass, PET, and bimetal beverage containers to, respectively, the Glass Processing Fee Account, the PET Processing Fee Account, and the Bimetal Processing Fee Account, for making processing payments for, and reducing processing fees paid for, these container types. After setting aside funds needed for the payment to refund values and administrative fees, and for these expenditures, the department ~~was~~ *is* authorized to expend \$18,500,000 of the moneys in the fund, until January 1, ~~1999~~ *2001*, for the payment of handling fees and \$5,000,000, for payments for curbside programs, until January 1, ~~1999~~ *2001*, and to expend \$7,000,000 annually for grants to community conservation *corps and to expend \$2,000,000 for grants to nonprofit organizations or government programs*.

This bill would increase these amounts to \$23,500,000, ~~\$1,000,000~~ *\$15,000,000*, and ~~\$10,000,000~~ *\$15,000,000*, and \$3,000,000, respectively, and would extend the authorization to expend these funds for handling fees and curbside programs until January 1, ~~2005~~ *2008*, thereby making an appropriation. The bill would include neighborhood dropoff programs, as defined, as being eligible for those payments for curbside programs.

The bill would delete the requirement that the department transfer 25% of the redemption values to those accounts ~~and~~. *The bill would instead authorize the department to establish separate processing fee accounts in the fund for each beverage material type, and would instead require the department to transfer a specified percentage of the redemption values and all of the processing fees to those accounts, depending upon the recycling rate for that container.* ~~The bill would~~ *continuously appropriate the money in those accounts to the department to make processing payments and reduce processing fees*, thereby making an appropriation.

The bill would require the department to expend \$10,000,000 annually, in calendar years 2000 and 2001, to undertake a statewide public education and information campaign and to provide a report to the Legislature, by January 1, 2002, on the impact of campaign.

The bill would create the Penalty Account in the fund, would require all civil penalties and fines collected by the department to be deposited in that account, and would require the department to transfer the existing fines and civil penalties in the fund to that account. The revenues in the account would be available to the department, only upon appropriation by the Legislature, to carry out the act. The bill would make conforming changes.

~~(7)~~

(8) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

Since a violation of the requirements imposed by the bill would be a crime, the bill would impose a state-mandated local program by creating new crimes.

This bill would provide that no reimbursement is required by this act for a specified reason.

~~(9) This bill would become operative only if SB 1 of the 1999-2000 Regular Session of the Legislature is enacted and becomes operative on or before January 1, 2000.~~

SB 1110

Be sure to fax a copy to CAW at (916) 443-3912. If you need more detailed information, please check out the CAW website at: www.cawrecycles.org, or contact us at (916) 443-5422. For the complete text of bills, check the legislative website, www.leginfo.ca.gov.

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Chesbro Introduces Plastics Recycling Bill

State Senator Wes Chesbro has introduced SB 1110 to strengthen the State's Plastics Recycling Law by adding food and cosmetic containers to the law and increasing the recycling goals for plastics from 25% to 35%.

"We are introducing this bill to address the growing frustration by the public, local governments and recyclers over plastics recycling," said Rick Best, Policy Director for Californians Against Waste. "Since plastic packaging is the fastest growing portion of the waste stream, it is critical that we address the fact that plastics recycling is failing to keep up with other materials such as metals, glass and paper."

SB 1110 would expand the State's Rigid Plastic Packaging Container Recycling Law which was adopted by the legislature in 1991 (SB 235, Hart). The law requires manufacturers to demonstrate that their rigid plastic packaging containers (RPPCs) comply with at least one of four basic requirements: achieve a 25% recycling rate, use 25% recycled content, be source reduced in weight by 10%, or be made refillable.

The law was significantly weakened in 1996 when the legislature exempted all food and cosmetic containers — over half of the plastic containers sold in the state. SB 1110 would restore these containers to the law in order to increase the use of recycled plastics by food container manufacturers.

Since the law's original passage there has been a significant increase in the use of plastics -typically through the replacement of glass containers. For example, soft drink manufacturers have replaced glass bottles with plastics bottles and now beer manufacturers are looking to do the same.

But while all glass containers are required to use 35% recycled content, rigid plastic containers are only required to achieve a 25% recycling rate or use 25% recycled content. SB 1110 would address this inconsistency by increasing these requirements from 25% to 35%, thus leveling the playing field between glass and plastic containers.

Among the problems with plastics recycling:

Failure to meet 25% recycling rate. In 1996, the recycling rate for plastic containers under the California law fell to 23.6% — below the 25% requirement in the law.

Decline in plastic soft drink rates. Plastic recycling rates under the California Bottle Bill (AB 2020) have fallen from a high of 71% in 1994 to 57% in 1998.

Plastics production outpacing recycling. The principle reason for the decline in plastics recycling rates has been that plastics production is far outpacing plastics recycling efforts. In 1997 alone, national PET production increased 138,000 tons -- over 15 times the tonnage increase in PET recycling.

Plastics falling behind other materials. Among packaging materials, the national plastics recycling rate was less than 10% in 1996, far less than paper (52%), glass (27%), aluminum (52%) and steel (55%).

Shift in packaging to plastics. Plastics recycling continues to struggle as more products shift their packaging to plastics.

"When both the plastics industry announced its 25% recycling goal and SB 235 was passed in 1991, the recycling community thought there would be a real commitment by the plastics industry to boost recycling," said Best. "Unfortunately, all we have seen are empty promises — and landfills filling up with plastic packaging. We hope this bill is a wake-up call to the industry to reverse this trend and take responsibility for boosting plastics recycling."

CAW Urges Amendments to Bottle Bill Legislation

In supporting Senator Byron Sher's SB 332, Californians Against Waste has called on the author to amend the measure, introduced on February 8, to close a loophole in the expansion and direct additional

BILL NUMBER: SB 1110 INTRODUCED
BILL TEXT

INTRODUCED BY Senator Chesbro

FEBRUARY 26, 1999

An act to amend Sections 42310 and 42340 of the Public Resources Code, relating to recycling.

LEGISLATIVE COUNSEL'S DIGEST

SB 1110, as introduced, Chesbro. Rigid plastic packaging.

The California Integrated Waste Management Act of 1989 requires, except as specified, every rigid plastic packaging container, as defined, that is sold or offered for sale in the state to meet on average at least one of 5 specified criteria, including being made from 25% postconsumer material or having a recycling rate of 25%, based on annual reports published by the California Integrated Waste Management Board. Certain rigid plastic packaging containers are exempted from meeting those criteria, including those containers that contain food or cosmetics. A violation of those requirements is a public offense, punishable by a specified fine.

This bill would revise the criteria that such a container is required to meet to increase to 35% the percentage of postconsumer materials from which a rigid plastic packaging container is required to be made and to increase the recycling rate of such a container to 35%. The bill would delete the exception for rigid plastic packaging containers that contain cosmetics or food from those requirements.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 42310 of the Public Resources Code is amended to read:

42310. Except as otherwise provided in this chapter, every rigid plastic packaging container sold or offered for sale in this state shall, on average, meet one of the following criteria:

(a) Be made from ~~25~~ 35 percent postconsumer material.

(b) Have a recycling rate of ~~25~~ 35 percent, based on annual reports published by the board. For purposes of this subdivision, PETE material shall be included in this calculation.

(c) Have a recycling rate of 55 percent if its primary material is PETE, based on annual reports published by the board.

(d) Have a recycling rate of 45 percent if it is a product-associated rigid plastic packaging container.

(e) Be a reusable package or a refillable package.

(f) Be a source reduced container.

(g) Is a container containing floral preservative that is subsequently reused by the floral industry for at least two years.

SEC. 2. Section 42340 of the Public Resources Code is amended to read:

42340. The following rigid plastic packaging containers are exempt from this chapter:

(a) Rigid plastic packaging containers produced in or out of the state which are destined for shipment to other destinations outside the state and which remain with the products upon that shipment.

(b) Rigid plastic packaging containers which contain drugs, medical devices, ~~cosmetics, food,~~ medical food, or infant formula as defined by the Federal Food, Drug, and Cosmetic Act (21 U.S.C. Sec. 301 et seq.).

(c) Rigid plastic packaging containers which contain toxic or hazardous products regulated by the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. Sec. 136 et seq.).

(d) Rigid plastic packaging containers which are manufactured for use in the shipment of hazardous materials and are prohibited from being manufactured with used material by federal packaging material specifications set forth in Sections 178.509 and 178.522 of Title 49 of the Code of Federal Regulations, or are subject to testing standards set forth in Sections 178.600 to 178.609, inclusive, of Title 49 of the Code of Federal Regulations, or to which recommendations of the United Nations on the transport of dangerous goods are applicable.