March 8, 2021

Senator Bob Wieckowski
State Capitol Room 4085
Sacramento, CA 92429-0041

RE: SB 38 (Wieckowski) --- SUPPORT

Dear Senator Wieckowski,

We, the undersigned environmental and consumer advocacy organizations, write in strong SUPPORT of SB 38 (Wieckowski), a bill that will save the collapsing bottle deposit system in California.

Your bill is squarely in keeping with Governor Gavin Newsom’s goal of building a circular economy in California. The Governor’s newly released budget directs CalRecycle to focus on “creating a true circular economy that recognizes waste as
a potential economic resource to be reduced, reused or remanufactured into new products.”

That is why we support the central aim of SB 38, which is to create an Extended Producer Responsibility program requiring beverage makers in the state to form a beverage container stewardship organization under CalRecyle oversight. We know that when the beverage industry takes responsibility for recycling their beverage wrappers, redemption rates rise based on best practices in eight other bottle deposit states.

Such consortiums craft modernized redemption systems for widespread consumer convenience and dramatically raise redemption rates and thereby the supply of recyclable materials for remanufacture right here in California.

Your bill will also boost manufacturing demand for recyclable plastic in the wake of the passage last year of AB 793 (Ting and Irwin). This law made California the first state in the nation to mandate recycled content for plastic bottles in the U.S. in nearly three decades.

Unfortunately, our current bottle deposit system is collapsing with redemption centers closing right and left. Consumer access to refunds is severely restricted, causing Californians to leave roughly $590 million a year in state coffers out of the more than $1.4 billion they pay each year in deposits.

This obstructs the creation of the circular economy that Governor Newsom champions and has caused California, with its 58% redemption rate, to plummet from a leader among bottle deposit states to third to last in terms of redemption rates. We need an entirely new model that shifts responsibility from the state to industry where the responsibility belongs.

Band aids in the form of minor adjustments no longer work. The California bottle deposit system - relying on failing redemption centers while major grocery chains are not required to take empties - needs major structural reform.

Californians deserve a system where redeeming their deposits is as easy as buying the beverage in the first place.

SB 38 is a big win for the environment, consumers, job growth, and the circular economy promoted by Governor Newsom.
Sincerely Yours,

Liza Tucker
Consumer Advocate
Consumer Watchdog

Alexandra Nagy
California Director
Food & Water Watch

Barbara Sattler
Board Member
Alliance of Nurses for Healthy Environments
Professor Emeritus
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Laura Deehan
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RL Miller
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