

Senator Sydney K. Kamlager (District 30)

AB 962: Returnable Beverage Bottles

IN BRIEF

AB 962 will pave the way for returnable beverage bottle systems in California by allowing returnable ("refillable") bottles to flow through the state's Beverage Container Recycling Program. Rather than being crushed for recycling, the bottles can be preserved to be washed and refilled by beverage producers - simultaneously creating jobs and reducing waste.

BACKGROUND & PROBLEM

Californians purchase an average of 2-3 packaged drinks every day, 99.9% of which are in single-use glass, plastic, metal and paperboard beverage containers. The largest category of these are beverages covered by California's Beverage Container Recycling Program (CRV/Bottle Bill), which accounts for just over 25 billion single-use containers annually. Though 70%-80% of these containers are returned and successfully recycled into (mostly) new containers, nearly 450,000 tons of single-use beverage containers are still disposed of annually.

It was not that long ago when returnable glass was the packaging of choice for milk, beer and soft drinks. As recently as 60 years ago, nearly half of all "off-premise" beer and soft drink sales were in returnable glass. From 1950 to 1973, the number of soft drink bottling plants in the United States decreased by 60 percent while sales in the industry increased by 276 percent. As smaller bottlers got bought out by larger bottlers, the geographic range of distribution increased and single-use bottles became more highly used.

By the time the California Bottle Bill was implemented in 1988, soft drinks were no longer sold in returnable glass, and only about 20% of beer sales were in returnables and were limited to bar and restaurant sales. For example, of the nearly 2 billion glass wine and distilled spirits bottles sold in California annually - roughly 1.2 million tons of glass - at best only about 25% of this glass is collected for recycling and available for manufacture into new bottles.

More difficult to quantify, but more significant environmentally are the hundreds of thousands of tons of non-CRV glass, aluminum, paperboard, plastic and plastic-coated paper single-use beverage containers consumed and disposed of annually. These include wine and distilled spirits, milk, juice, coffee and soft drinks. While many of these container types are technically able to be recycled, the lack of recycling markets, or producer responsibility for market

development and covering the cost of recycling, has resulted in little to no recycling of these materials.

Moreover, the environmental benefits of returnable glass bottles compared to their single-use counterparts is significant. According to the Container Recycling Institute (CRI), returnable glass bottles use approximately 93% less energy and 47-82% less water, depending on the number of reuses. And according to Reloop, as the number of reuse cycles increases, so does the reduction in emissions when compared to single-use glass bottles (~85% less emissions,) single-use PET (~70% less emissions,) and aluminum cans (~57% less emissions.) Current models demonstrate returnable bottles go through 15-20 refills on average.

Returnable bottles also provide enormous <u>economic potential</u> for manufacturers. After the initial purchase, the cost per filling is reduced over the lifecycle of the bottle, allowing manufacturers to benefit from increasing cost savings as the bottles are returned for refill. And for consumers, <u>beverages are generally less expensive in</u> a returnable container than in the same single-use container.

An increase in returnable bottle operations also puts California on the path towards a green economy by providing clean green jobs, including local and regional production line workers, managers, and bottle collectors. Reuse creates as much as 30 times more jobs than landfills.

SOLUTION

AB 962 will lay the foundation for a more sustainable and economically viable business model by creating an even playing field for the use of returnable beverage bottles by beverage manufacturers. It does so by authorizing CalRecycle to allow returnable bottles to flow through the state's Bottle Bill and provide bottle washers the same processing payment that is currently paid to certified recyclers, and the same Quality Glass Incentive Payment (QIP) that is currently paid to certified recycling processors.

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FOR MORE INFORMATION

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