

FOR IMMEDIATE RELEASE
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Container Recycling Institute Statement on California SB 353 Becoming Law

From Container Recycling Institute President Susan Collins

CULVER CITY, CA, October 16, 2023 – The [Container Recycling Institute](http://www.container-recycling.org) (CRI) commends California Gov. Gavin Newsom for signing into law SB 353, which will provide fairer compensation to beverage container redemption centers and prevent further center closures that severely undermine the success of the state's deposit return (aka bottle bill) program.

SB 353 addresses a serious flaw in the state's Beverage Container Recycling Program regarding the per ton "processing payments" redemption centers receive from California's Department of Resources Recycling and Recovery (CalRecycle) to supplement the revenues they earn from PET, glass and aluminum scrap values.

These processing payments are provided so the state's redemption centers can cover their operating costs and earn a reasonable profit. However, the current payment formula uses a 12-month scrap value average from the previous year, with a minimum three-month lag time, meaning it does not account for real-time changes in scrap values. This undermines the economic viability of centers at times when payments do not compensate centers enough if scrap prices quickly drop, resulting in shortfalls. More than 50% of California's redemption centers have closed in the last decade – meaning less access to container redemption options for consumers, sharply declining redemption rates and fewer jobs.

SB 353 will help halt these trends by allowing CalRecycle to base processing payments on the average scrap value from the preceding three months, making the numbers for redemption centers add up so they can stay in business.

CRI has been recommending a re-evaluation of California's redemption center processing payment formula since 2016 – providing our analysis of and input on numerous bills to address this issue over the years. It has required an endless supply of time and energy, but with SB 353 becoming law, it has been worth it.

It's important to note that SB 353 also closes a long-standing loophole in California's beverage container deposit return program by adding coverage to 100% fruit and vegetable juices. This is smart policy – it will add deposits to an estimated 188 million new containers in addition to the 18.4 billion containers currently in the program.

CRI thanks California State Sen. Bill Dodd and the bill's co-authors for introducing SB 353 in the California legislature this year. We look forward to its implementation, which will result in higher redemption rates, increased environmental benefits and the protection of hundreds of jobs for redemption center workers.

The nonprofit Container Recycling Institute (www.container-recycling.org) is a leading authority on the economic and environmental impacts of used beverage containers and other consumer product packaging. Its mission is to make North America a global model for the collection and quality recycling of packaging materials.

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