



September 9, 2019

Honorable Steve Glazer
State Senator
State Capitol
Sacramento, CA 95814

SB 634 - OPPOSE

Senator Glazer,

Consumer Watchdog opposes SB 634, which was just introduced Saturday, five days before the end of the legislation session.

SB 634 will destroy the bottle and can deposit return program as we know it by removing the legal obligation of potentially thousands of grocery stores to redeem consumers' bottle and can deposits. This idea already failed in the normal legislative session (SB 724 - Stern) and does not deserve to be revived in the eleventh hour on behalf of retailers who have contributed to the demise of the recycling system.

Your legislation, while containing some thoughtful changes, has the fatal flaw of granting various exemptions for two years for grocery stores and retailers who have a legal obligation to redeem bottle and can deposits for consumers today. This would likely remove thousands of stores from the already decimated recycling system. Your exemptions include stores in areas with recycling centers that closed three years ago (about 900 stores), stores with under 5000 square feet, retailers who are not groceries, retailers with less than \$2 million in beverage sales. In addition the bill would also limit bottle and can deposits per store to a mere 50 per day.

It's shocking that a Bay Area senator would choose to give grocery stores and retailers exemptions from their duty to redeem bottle and can deposits when the area has lost all but 64 redemption sites outside of those retailers.

Eight million people have literally 64 recycling centers to go in order to get their five and ten cent deposits back. Consumers already have to stand in line more than an hour to get their deposits back.

Where are consumers supposed to go to get their bottle and can deposits when grocery stores, drug stores and other retailers shut their doors?

If this legislation succeeds, your constituents and Bay area residents will have almost nowhere to go nearby to return their bottles and cans.

We urge you to amend or withdraw this end-of-session assault on the ability of consumers to get back their bottle and can deposits.

Consumers need grocers stores and retailers to redeem their bottle and can deposits, otherwise the “CRV” deposit becomes more little than a tax.

Californians plunk down [\\$1.5 billion each year](#) in nickel and dime deposits for our bottles and cans that we are supposed to get back. [Only about half of the deposits come back directly to consumers because we cannot find a convenient place to return our empties.](#)

Grocers and retailers are a big part of the problem. California is only one of two bottle deposit states that doesn't require every retailer that sells bottles and cans to refund deposits. When no other recycling centers exist in an area, however, grocers and retailers have a duty to redeem. Too often, they don't.

[A May survey by Consumer Watchdog found two-thirds of the 50 retailers visited who were legally obligated to redeem deposits refused.](#) More than half of the all the state's violations against beverage retailers over the last 5 years were for illegally refusing to redeem bottle and can deposits.

We should not reward retailers who failed to live up to their legal obligations with new exemptions at the expense of consumers.

As you know, under a legislative deal decades ago, grocers retained their legal obligation to return “CRV” deposits, but pawned off primary responsibility to recycling centers located on their lots or nearby. The problem now is the redemption center infrastructure is nearly all gone.

[The Container Recycling Institute](#) reports that remarkably only about 250 redemption centers on grocery store lots exist statewide for nearly 40 million people. The centers closed due to economic hardship, underpayment by the state, and, often, mistreatment by grocers who moved them out and opposed their fiscal relief.

So grocers rightfully should be holding the bag for consumers to return their bottles and can deposits, as they do in other states.

All around the world and the nation successful recycling programs focus on consumer convenience. They rely on all beverage vendors to redeem deposits at the point of purchase. Beverage makers – from Pepsi to Coors -- take responsible for recycling the “wrappers” their products come in.

This should be the vision to restore our broken bottle deposit system, which both betrays consumers and our climate change goals. In addition, the statwe should to crack down harder on retailers that aren't living up to their redemption responsibilities. They pay a pittance for their refusal to redeem deposits.

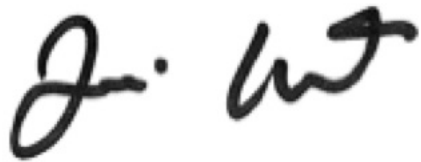
Recycling centers are able to receive additional payments without new legislation. CalRecycle can issue an emergency regulation quickly to free up additional revenue to for the centers, as they have in the past. This part of your legislation is not needed.

SB 634 will kill off any hope for reform by letting the grocers and retailers out of legal obligations to return our money for two years.

Come January grocers and retailers should agree to a top-to-bottom overhaul of bottle deposits that puts consumer convenience first based on best practice. SB 634 makes that impossible by removing too many retailers from the system.

We urge you to withdraw this bill.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Court".

Jamie Court
President

A handwritten signature in black ink, appearing to read "Mike".

Michael Mattoch
Advocate and Counsel