

Challenges Facing California's CRV Infrastructure

Bringing Back Recycling Centers

Multi-Year

- **One Recycler Concept:** Support *all* CRV recyclers, not just those at supermarkets by decoupling Handling Fees from supermarket sites and making them available to all recyclers in a zone
- **Restructure Zones and Payments:** Resize Convenience Zones based upon population density (e.g. less densely populated areas will have larger zones, while more densely populated areas will have smaller zones) and provide a flat monthly subsidy to each Convenience Zone that gets evenly divided by the number of recycling centers in a Convenience Zone
 - or -
 Hold a reverse auction for Convenience Zones when they are unserved for a time period (e.g. six months, one year, etc.) where recyclers can place competitive bids to operate a recycling center in the unserved Convenience Zone and authorize CalRecycle to select the winning bidder based upon defined criteria (e.g. cost, experience, resources, etc.)
- **Phasing Out of Handling Fees:** Handling Fees should be reduced or eliminated in areas once certain factors exist, such as a specified population density exists, minimum number of recycling centers is achieved, or minimum CRV material volume is achieved on per capita basis

Maintaining Existing CRV Infrastructure

Immediate

- **Minimum Content:** Require a minimum content standard for beverage manufacturers in order to stimulate and accelerate domestic demand for recycled beverage containers
- **Supplemental Administrative Payment:**
 - Provide a temporary supplemental Administrative Payment to *processors* at 3% of refund value so that the total equals 4.75% of refund value
 - Provide a temporary supplemental Administrative Payment to *recyclers* at 1.25% of refund value so that the total equals 2% of refund value
- **Supplemental Processing Payment:** Provide temporary supplemental Processing Payments to recyclers to better offset the costs of receiving, handling, and transacting CRV materials
- **Provide Processing Payment to Processors:** Processors currently don't, but should, receive a Processing Payment for CRV transactions
- **Prevent Unfair Competition:** Recyclers who receive Handling Fees should be prohibited from paying more than CRV refund value for materials (i.e. cannot pay scrap value in addition to CRV refund value)
- **Transparency:** All Handling Fees paid to recyclers each month should be made public via CalRecycle's website
- **Support Recycling Centers:** No funds should be paid to cities and counties that fail to demonstrate active support for public redemption centers
- **Reinvestment:** Require CalRecycle to use the \$100/day fine paid by supermarkets that choose not to redeem in-store to be reinvested in the same community to support local recycling centers