

SPONSORS

**PRESIDENT'S CIRCLE**

Cal Recycle  
City of Oakland  
San Francisco Dept. of the Environment  
Stop Waste

September 16, 2020  
Honorable Gavin Newsom  
Governor of the State of California  
State Capitol  
Sacramento, California 95814

**GOLD**

Marin Sanitary  
R3 Consulting Group  
Recology  
Republic Services  
ReThink Waste SBWMA  
City of San Diego  
City of Vallejo

**RE: AB 793 (Ting): Minimum Recycled Content – REQUEST FOR SIGNATURE**

Dear Governor Newsom:

The California Resource Recovery Association is writing to request that you sign AB 793 into law. This bill requires a minimum recycled content for plastic bottle beverage manufacturers to encourage efficient use of recyclable plastics. Minimum content laws are incredibly effective at supporting recycling markets, increasing employment, and transforming markets to be focused first on recycling. In addition, this bill is structured so that the program will essentially pay for itself.

**SILVER**

Allan Company  
Athens Services  
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California Refuse Recycling Council  
EcoNomics  
City of Fremont  
Foodservice Packaging Institute  
HF&H Consultants  
The Mattress Recycling Council  
The Recycling Partnership  
PSSI/Stanford Recycling  
SCS Engineers  
Recology  
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CRRA is the largest resource recovery organization in California, with members from all regions of the State and from every sector of the recycling community, including haulers, recyclers, processors, local government and industry experts. CRRA's mission is to provide CRRA members with resources to advance local, regional and statewide waste reduction efforts which result in critical environmental and climate protection outcomes.

The state's Plastic Market Development Program has successfully supported the development of at least 6 plastic processing facilities in California, and these facilities support hundreds of manufacturing jobs. These jobs are now at risk, due to the historic low prices for PET, and this bill will support and increase PET prices, and therefore support manufacturing jobs in the state.

**This bill will pay for itself**, both in penalties received and increased prices for PET and other plastics, which will decrease the amount of processing payments that the fund has to pay out (see Table 1). For containers other than PET and HDPE, they would pay the penalty, or switch to another resin type.

**Table 1 – Estimated Penalties at different rates of Noncompliance**

	Total Penalties, at 1% Non-compliance	Total Penalties, at 2% Non-compliance	Total Penalties, at 3% Non-compliance	Total Penalties, assuming 100% Non-compliance for “other plastics,” which have no recycled content available
PET	\$ 1,080,580	\$ 2,161,160	\$ 3,241,740	N/A
HDPE	\$ 56,049	\$ 112,097	\$ 168,146	N/A
Other plastics containers (mostly PS and other)	\$ 4,366	\$ 8,733	\$ 13,099	\$ 436,625
<b>TOTAL</b>	\$ 1,140,995	\$ 2,281,990	\$ 3,422,985	N/A

California already has laws requiring minimum recycled content for glass containers, rigid plastic packaging containers, newsprint, trash bags, and other products. We have found this to be one of the most effective tools for expanding the markets for recyclables and sorely need that expansion for recycled plastics. As California has not adopted a recycled content requirement for plastic containers before now, AB793 is critically important to solving these major problems.

AB 793 will also lead to more jobs being created in this State, bringing recycling jobs home from China. Minimum content legislation will lead to private investments in improved processing of plastics to make cleaner feedstocks for industry, and for manufacturers to make more products using recycled materials.

For these reasons, we are in support of AB 793 and request that you sign the bill into law.

Sincerely,



Tracie Bills, Executive Director  
California Resource Recovery Association

CC: Assembly Member Phil Ting  
Rachel Wagoner, Deputy Legislative Secretary, Office of the Governor  
Melissa Immel, Deputy Legislative Secretary, Office of the Governor

