

Assemblymember Jim Wood  
P.O. Box 942849  
Sacramento, CA 94249-0002

RE: Lack of CRV Redemption Services in Humboldt County

Dear Assemblymember Wood,

The City of Eureka has robust waste diversion goals and has demonstrated our commitment towards preserving the environment. This is, in part, what makes Eureka an attractive place to live and to those who visit.

Due to recent decertification of all Humboldt County California Redemption Value (CRV) buyback centers, the Eureka City Council is concerned about the inability of our constituents to conveniently redeem their beverage containers and be reimbursed their CRV deposits. The inability of CalRecycle to assist or provide alternate local redemption centers runs counter to our environmental goals.

The California Beverage Container Recycling and Litter Reduction Act of 1986 established the CRV fee deposit program and was initially designed to incentivize recycling practices by California residents. When the program works properly, approximately \$1.6 billion annually is paid to CalRecycle by beverage manufacturers, who pass the CRV deposit fees on to the consumer at the time of sale, for which the customer can conveniently be reimbursed when presenting the empty beverage containers back to an obligated retailer or certified redemption center. Retailers or redemption centers recoup their costs of the CRV payment and operational costs through the sale of the material on the scrap market and may be eligible for a small payment from CalRecycle. With the recent decertification of the last four redemption centers in Humboldt County, the City Council's position is the program is ineffective and the deposit fee has functionally become a tax.

Until 5 years ago, ten (10) CRV buyback centers operated in Humboldt, with five (5) centers serving Eureka residents. All but four centers in Humboldt closed by 2018 due primarily to the decline in the scrap market. The four remaining CRV redemption operations located in McKinleyville, Eureka, Fortuna and Redway were co-located with solid waste collection and disposal operations. Due to the COVID-19 pandemic, these ancillary redemption centers were temporarily closed to ensure staffing and operations were preserved to perform solid waste management collection, handling and disposal services and reduce potential virus exposure to employee and public members. Furthermore, none of the CRV redemption operations are self-supporting; these facilities have subsidized the buyback center costs and operations through solid waste disposal fees or sales of non-CRV recyclable materials.

Governor Newsom issued two executive orders allowing retailers and CRV redemption centers to amend their hours or remain closed to CRV buyback activities during the initial Shelter-In-Place order. With the expiration of the second order on August 21, 2020, CalRecycle, without consideration for assistance or guidance to safely manage reopenings, ordered the certified centers to immediately open or submit notice of decertification. These facilities could have faced fines if they did not comply. Three certified centers submitted their notice of decertification to CalRecycle, with the remaining center resuming operations for a period of three days before having to shut down due to overwhelming traffic congestion impacting local roadways, Highway 101, businesses and impeding emergency response access. This remaining recycling center also submitted their notice of decertification to the CalRecycle.

The City Council notes that during the CRV redemption site closures, CalRecycle continued to collect their CRV fees from beverage manufacturers, who passed the fee to consumers at the retailer even though there was nowhere in the County or in many areas in the State to redeem their deposit. The inability to conveniently redeem containers and receive deposit fees has created public concern and, in some cases, aggravated financial hardship. While Eureka residents can place these recyclable materials into their curbside recycling containers, people feel forced to hold onto their containers in hopes of being reimbursed their deposit. This has negative impacts on individual finances, public health, the environment and our city's recycling goals.

It is the City's stance that the State's CRV redemption program is broken and not working. Therefore, we urgently request the Governor, State Legislature and you to take action to ensure CalRecycle is directed to address this issue affecting Eureka residents through the development and implementation of a workplan to enable reimbursement of CRV deposits for our citizens.

We look forward to your response.

Sincerely,

Susan Seaman  
Mayor

CC: Senator Mike McGuire  
Governor Gavin Newsom  
State Recycling Commission  
CA League of Cities