[Urging the Governor to Waive California Redemption Value Fines for Small Businesses]

Resolution urging the Governor to waive fees administered to small businesses operating in unserved California Redemption Value (CRV) convenience zones and to forgive the outstanding balances of small businesses unable to pay fees related to operating in unserved CRV convenience zones.

WHEREAS, The City of San Francisco and the State of California are under a State of Emergency requiring a shelter-in-place order that has severely impacted businesses and workers; and

WHEREAS, According to the San Francisco City Controller and the Mayor’s Budget Office, nearly 14,000 businesses are fully or partially impacted that generate monthly revenues of $3 billion a month with 166,000 employees; and

WHEREAS, Businesses and companies have been furloughing or laying off workers in order to maintain solvency; and

WHEREAS, California saw over 2.3 million unemployment claims in April of 2020 and by May of 2020 unemployment rates have risen to a level not seen since the Great Depression; and

WHEREAS, Corner stores and markets are an essential part of our neighborhoods, especially in the city’s food deserts, where larger grocers and supermarkets are largely absent; and

WHEREAS, Under California’s beverage container recycling law, beverage dealers that operate within convenience zones that do not have a certified recycler are required to redeem California Redemption Value (CRV) beverage containers in store in exchange for the refund value or pay a $100 daily fee; and

Supervisors Haney; Walton, Safai, Mandelman
BOARD OF SUPERVISORS
WHEREAS, Beverage dealers may include supermarkets, community markets, gas stations, liquor stores, membership bulk stores, and health food stores; and

WHEREAS, A convenience zone is typically a half-mile radius circle with the center point originating at a supermarket; and

WHEREAS, Convenience zones are areas within a half-mile of a supermarket and a supermarket is defined as a full line retail store with gross receipts of $2 million dollars or more; and

WHEREAS, San Francisco only has 4 certified recycling centers located primarily in the Bayview District; and

WHEREAS, There are 57 unserved convenience zones in San Francisco. Meaning that, all beverage dealers within a 1/2 mile radius of those zones must accept beverage containers for recycling or, pay the $100 a day fee; and

WHEREAS, Many beverage dealers operating in unserved convenience zones do not have the resources or the capacity to accept beverage containers for recycling and store and transport the containers to the recycling center available in San Francisco; and

WHEREAS, Most of these family owned corner stores and markets cannot afford to pay the $100 a day fee ($36.5k/year); and

WHEREAS, Some particularly vulnerable corner stores have accrued $1000s of dollars in unpaid fees; now therefore, be it

RESOLVED, That the Board of Supervisors urges the Office of the Governor issue an Executive Order to waive the collection of the $100 per day fine in lieu of accepting recyclables in-store for small businesses, as defined in the California Code; and, be it

FURTHER RESOLVED, That the Board of Supervisors urges the Office of the Governor to forgive the outstanding balances of fines issued to small businesses in lieu of accepting recyclables in-store; and, be it
FURTHER RESOLVED, That the Clerk of the Board of Supervisors, no later than 30 days after the passage of this Resolution, shall transmit copies of this Resolution to the Governor of the State of California, and to the representatives of San Francisco on the California State Legislature.
Resolution urging the Governor to waive fees administered to small businesses operating in unserved California Redemption Value (CRV) convenience zones and to forgive the outstanding balances of small businesses unable to pay fees related to operating in unserved CRV convenience zones.

May 19, 2020 Board of Supervisors - ADOPTED
Ayes: 11 - Fewer, Haney, Mandelman, Mar, Peskin, Preston, Ronen, Safai, Stefani, Walton and Yee

I hereby certify that the foregoing Resolution was ADOPTED on 5/19/2020 by the Board of Supervisors of the City and County of San Francisco.

I hereby certify that the foregoing resolution, not being signed by the Mayor within the time limit as set forth in Section 3.103 of the Charter, or time waived pursuant to Board Rule 2.14.2, became effective without her approval in accordance with the provision of said Section 3.103 of the Charter or Board Rule 2.14.2.

Angela Calvillo
Clerk of the Board