

CalRecycle – Division of Recycling

Program Reform – Topic/Idea Master List – Focus Group Workshop #1

Outline by Topic Area

I. Ensure Integrity of Program Payments Paid In / Out

A. Topic: Strengthening requirements for becoming a certified entity in the program

1. Require certified entities to post a security bond to protect Fund from fraudulent and/or unsubstantiated claims for reimbursement or payment of program funds.
2. All certified entities must have a valid business license and all local agency permits in place at all times in order to maintain certification
3. Establish criteria for geographical density of certified recycling centers
4. Administrative & Operational
 - a) *Require certified entities to submit required reports using DORiis*

B. Topic: Strengthening program enforcement and compliance efforts

1. Establish CalRecycle authority to issue NOVs for underpaying and/or non-reporting distributors and beverage manufacturers
2. Eliminate ability for one Distributor and/or Beverage Manufacturer to CRV and/or processing fees 'on behalf of' of another distributor and/or beverage manufacturer.
3. Increase interest assessment percentage for underpayment & late payment of CRV and/or processing fees
4. Assess fees to recover costs associated with processing certification and registration applications and processing hardcopy reporting forms
5. **Increase the maximum allowable penalty amount (currently \$5,000)**
6. **Establish a continuous appropriation to expend criminal penalties collected to fund/partially fund Interagency Agreement**
7. Administrative & Operational
 - a) *Develop implementing regulations for PRC 14596(a) reporting and inspection authority*
 - b) *Establish requirement that all CRV purchases by certified recycling centers are reported according to the 'basis' (i.e., segregated by weight, commingled by weight, or by count) for which they were purchased.*
 - c) *Implement Out-of-State Beverage Container Importation Monitoring Program with our partners at CDFA*
 - d) *Implement regulatory changes to reduce the allowable daily load limit for consumer transactions*
 - e) *Notify all registered distributors that failure to timely pay redemption payments, collected from Dealers, to the Department is seen as an 'abuse of public funds' and potentially subject to criminal investigation.*
 - f) *Refer most egregious cases of non-reporters/non-payers to DOJ for possible criminal investigation*