



Imported Empty Beverage Container Material Reporting & Inspection

February 10, 2014



AGENDA

- Background
- Overview - Statute & Regulations
- Imported Material Report (IMR) Review/Discussion
- Proof of Inspection (POI) Review/Discussion
- Next Steps



BACKGROUND

- **Based upon observations made by DOJ, local law enforcement agencies and CalRecycle investigators, unscrupulous individuals and entities routinely...**
 - Purchase and/or collect empty beverage containers in large quantities in Arizona, Nevada, New Mexico, etc.
 - Ship them loose into CA, typically to a designated location(s) and break down loads into quantities just below the allowable daily load limits.
 - Transport loads of loose imported empty beverage containers to certified recycling centers throughout CA. Representing themselves as a CA consumer or some type of 'collector' and attempt to illegally redeem for CRV









BACKGROUND

- Not illegal for Beverage Manufacturers to place a CRV label on a filled beverage container sold outside of CA.
- Not illegal to import empty beverage container materials into CA and sell them for scrap value only at recycling center.
- Individual 'CA consumers' could redeem 500 pounds of aluminum or plastic, and/or 2,500 pounds of glass, per day at a certified recycling center.
- No reporting or inspection requirements for individuals importing empty beverage containers



CDFA BPS PILOT PROGRAM

- From July – September 2011, CDFA Border Protection Station (BPS) Agents captured data associated with vehicles importing empty beverage containers into CA through all 16 CDFA BPS
- CDFA BPS Agents captured data during all hours BPS was open and operating. Provided data daily to CalRecycle
- Objective was to establish baseline data of number, frequency & type of vehicles importing empty beverage containers into CA



CDFA BPS PILOT PROGRAM

- Data created a heightened sense of urgency around illegal redemption of imported empty beverage containers at CalRecycle
- Data used as basis for BCP to secure ongoing funding for CDFA survey & monitoring activities at all 16 CDFA BPS
- Data referenced at public workshops to design, develop and adopted stringent reporting and inspection regulations for importers of empty beverage containers
- Data referenced to support a change in statute in September 2012



OVERVIEW - STATUTE

➤ PRC Section 14596 (a):

Any person importing more than 25 pounds of empty aluminum, bimetal, or plastic beverage container material, or more than 250 pounds of empty glass beverage container material, into the state, shall report the material to the department and provide the department with all of the following:



OVERVIEW - STATUTE

➤ PRC Section 14596 (a)

- 1) Documentation on the source of the material.
- 2) Documentation on the destination of the material.
- 3) Any other information deemed necessary by the department as it relates to the importation of empty beverage container material.
- 4) An opportunity for inspection, in accordance with the regulations adopted by the department.



OVERVIEW - STATUTE

➤ PRC Section 14596 (b)(1)(A):

In addition to inspections required by the regulations adopted by the department pursuant to subdivision (a), a vehicle entering the state that contains more than **25 pounds** of empty beverage container material shall pass through the nearest plant quarantine inspection station maintained pursuant to Section 5341 of the Food and Agricultural Code, and shall obtain proof of inspection from the department.



OVERVIEW - STATUTE

➤ **PRC Section 14596 (b)(2)(A & B):**

The operator of a vehicle that contains more than 25 pounds of empty beverage container material is in violation of this chapter if the operator does any of the following:

- Fails to stop the vehicle at a plant quarantine inspection station.
- Willfully avoids a plant quarantine inspection station.



OVERVIEW - STATUTE

➤ **PRC Section 14596 (b)(2)(C):**

Fails to stop upon demand of a clearly identified plant quarantine inspection station officer, an officer of the California Highway Patrol, or an officer of a state or local law enforcement agency, when the officer orders the operator to stop for the purpose of determining whether this operator is in violation of this section.



OVERVIEW - REGULATIONS

- CalRecycle promulgated regulations using emergency regulatory authority.
- Emergency regulatory package submitted to OAL on January 2nd
- 5 day public comment period ended January 7th
- OAL approved and regulations became effective on January 13th
- Target date for implementation at all 16 CDFA BPS is February 18, 2014.



OVERVIEW - REGULATIONS

- The adopted regulations make amendments to Title 14, Division 2, Chapter 5 of the California Code of Regulations (CCR), consisting of changes to sections in Subchapters 1, 2, & 6, and the addition of a new Subchapter 11.1. (14CCR §§ 2000, 2085, 2501 (amended) and 2830-2835 (new).)



OVERVIEW - REGULATIONS

- Requires importer to complete, submit and retain Imported Material Report (IMR)
- Requires importer to obtain and retain a Proof of Inspection (POI) issued by CDFA or other designated agency
- If load of material is greater than 100 pounds, importer required to submit and retain a weight ticket issued by a licensed weigh master describing the material and weight for each individual load of material



OVERVIEW - REGULATIONS

- Prohibits importer from delivering imported empty beverage container materials to any certified or registered facility in CA
- Clarifies that imported empty beverage containers materials sold in CA are to be handled as nonferrous material subject to the laws governing scrap metals and alloys commencing with BPC 21600



OVERVIEW - REGULATIONS

- Requires importer to fully cooperate with CDFA inspector, Division staff, law enforcement officer or other appropriate official to fulfill the purposes of PRC 14596 including, but not limited to:
 - Declaring the material at the inspection station
 - Providing and Imported Material Report (IMR) with the appropriate sections completed and the proper supporting documents attached



OVERVIEW - REGULATIONS

- Offering the material for inspection and following directions for completing the inspection
- Providing full, true and correct information
- Delivering the material with all required documentation to a designated destination



IMPORTED MATERIAL REPORT (IMR)

- One page report form. 8 ½" x 14" size
- Hardcopy or Online
- Hardcopy – 3 part carbonless. Press-numbered with unique identifying number
- Online – 3 copies produced by system. Printed with unique identifying number
- Individual IMR required for each material type imported
- Hardcopy IMR walkthrough



CALRECYCLE WEBPAGE / ONLINE IMR

- Demo - CalRecycle webpage
- Demo - Online IMR



PROOF OF INSPECTION (POI)

- One page report form. 8 ½” x 11” size
- Hardcopy. Only available at CDFA BPS
- Hardcopy – 4 part carbonless. Press-numbered with unique identifying number
- One POI required for each material type imported
- Hardcopy POI walkthrough



NEXT STEPS

- CalRecycle will deploy webpage and online IMR by 9:00am on February 18th
- Hardcopy IMR / POI forms available at CDFA border stations
- CDFA will begin enforcing reporting and inspection requirements at all 16 CDFA border station beginning at 12:00am on February 18th
- Promulgate permanent regulations in June/July 2014



QUESTIONS