

**Segregated-Only / Reporting & Recordkeeping Regulations – Informal Public Workshop  
DRAFT – Proposed Changes to Regulations  
March 12, 2014**

§ 2000 (a) In addition to the definitions provided in the California Beverage Container Recycling and Litter Reduction Act, except for subdivisions (a)(3.1), (10), (20), (21), (35), (37), (38), (40) and (42) below which modify definitions in the Act for purposes of these regulations, the following definitions shall apply whenever the terms are used in this chapter.

(10) "Commingled" means a mix of empty beverage containers and other containers of the same material type. Any broken glass empty beverage container(s) purchased from ~~consumers~~, dropoff or collection programs, or community service programs shall be deemed commingled. Any broken or partial beverage container(s) or rejected, line breakage or out-of-state containers shall not be included when performing a survey methodology to arrive at an individual commingled rate or statewide average commingled rate. Dropoff or collection, curbside and community service programs' individual commingled rate shall be determined pursuant to subsection 2620 through 2645, 2660 through 2685, and 2720 through 2745, respectively. The statewide average commingled rates shall be determined by the Division pursuant to subsections 2900(a)(1)(B) and section 2930 of these regulations.

§ 2075 (b) - An examination is a review, of any books, records, accounts, or on-site operations, for the purpose of determining compliance with the Act or this Chapter. Such reviews may include observation and inspection of transactions, verification of measurements, counts, weights or statistics, or other examination procedures regarding payments, transfers or other activities related to the Act; the review of the records may be conducted on-site and/or off-site at the discretion of the Division. Nothing herein shall in any way limit the Division's ability to carry out its responsibilities pursuant to the Act.

§ 2085 (c) - Suitability for Examination. Any receipt or log records that certified recycling centers other than reverse vending machines are required to maintain pursuant to this chapter shall be original receipt or log records. All records maintained pursuant to this chapter shall be suitable for examination.

(5) Recyclers utilizing a computerized system to maintain transaction data and generate receipts shall have its transaction data readily available for examination in a commonly accepted format (e.g., MS Excel, txt or csv) and shall include all information pursuant to 2525(a).

(6) The recycler must have the software's audit trail (or audit log) enabled; the audit trail (or audit log) files shall be readily available for examination in a commonly accepted format (e.g., MS Excel, txt or csv). It is a violation of this section for the recycler to alter any computerized transactional data after the completion of the consumer transaction that does not correlate to the receipt provided to the consumer.

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**Newly Proposed Change**

§ 2401 (a)(1) - For any load delivered to a processor, including loads from dropoff or collection programs, community service programs, or curbside programs ~~or recycling center~~, each processor taking delivery of the material shall visually inspect each load of material by monitoring the unloading and/or conveyor process to determine eligibility and whether the load is segregated or commingled.

**Newly Proposed Change**

§ 2401 (a)(2) - For any load delivered to a processor solely from a recycling center, each processor taking delivery of the material shall visually inspect each load of material by monitoring the unloading and/or conveyor process to determine eligibility and whether the load is segregated only or contains scrap material.

**Newly Proposed Change**

§ 2420 (g) - The processor shall prepare and retain a log or receipt setting forth the weight and type of material delivered to the processor and payment made or credit granted for all scrap transactions. In addition, the log or receipt shall indicate if the load consisted of rejected containers, line-breakage containers, or out-of-state beverage containers.

§ 2425 (e) Each report shall also contain a shipping report prepared by the processor for each shipment of materials received from any curbside program, dropoff or collection program, or community service program, and a shipping report for each shipment of materials received from a recycling center that has been prepared by the recycling center and completed by the processor. Each report shall include all of the following information:

- (1) The name and identification number or certification number, of the entity shipping the material to the processor; and
- (2) The name and the certification number of the processor receiving the material; and
- (3) The date the material was received and the material type covered by the report; and
- (4) The received weight, excluding line breakage, rejected containers, and out-of-state containers; and
- (5) The total weight of empty beverage containers purchased by the basis for the refund value payment (e.g. segregated and weighed; ~~commingled and weighed~~, segregated and counted, scrap-only weight); and, for plastic, aluminum, and glass, collected by a curbside program, or a dropoff or collection program that meets the requirements of Section 2850, the registered curbside program or certified entity eligible for the quality incentive payment shall be identified as either the Shipper (S), or the Receiver (R) in the QIP (Quality Incentive Payment) Box.
- (6) The refund value paid; and

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- (7) The total administrative fees paid, when applicable; and
- (8) The processing payments paid; and
- (9) The name and signature of the shipper or an authorized representative of the shipper and date signed; and
- (10) The weight ticket date and weight ticket number; and
- (11) Except for loads of material received from curbside programs, the vehicle license number and state of issuance of vehicle used to deliver the materials to the recycling center; If delivery is made by a semi-truck or other tractor-trailer, the name of the trucking company, the cab license number, the trailer(s) license number(s), and shipping container number.
- ~~(11)~~(12) The shrinkage deduction taken, if any; and
- ~~(12)~~(13) The name and signature of an authorized representative of the processor and the date signed.

**Newly Proposed Change**

**§ 2500 (e)** - Each certified recycling center which does not utilize a reverse vending machine shall post the following near the certification sign provided by the Division and in a conspicuous location which can be easily seen by the public:

- (1) A legible sign indicating its hours of operation; and
- (2) A refund price sign indicating the prices paid by weight or per container and by material type (i.e. aluminum, glass, plastic or bimetal). A refund price sign shall meet the following specifications:
  - (A) Dimensions. The sign shall be two feet by two feet (576 square inches).
  - (B) Content. In addition to the prices paid as required in subsection (e)(2) above, the sign shall contain, at a minimum, the statements as indicated in Figure 9. A refund price sign varying from the specifications of this section may be posted if requested in writing and approved in writing by the Division.
- (3) A sign indicating that the recycler does not accept nor make payments for any out-of-state material; whether labeled or not.

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- (4) A sign indicating that the consumer has the option of being paid based upon count for up to 100 empty beverage containers of each material type, per day.

**§ 2501 (a)** Certified recycling centers shall inspect each load of containers, subject to the Act, delivered to the recycling center, for which refund value is claimed, to determine whether the load is eligible for any refund value and, if so, to determine whether the load is segregated or commingled, as follows:

- (1) For transactions with consumers, the recycling center shall remove the containers from any bag, box or other receptacle used to deliver the material to the recycling center and visually inspect the containers prior to determining the basis for payment and paying the seller. Recycling centers shall only pay refund value to consumers for segregated loads consisting of 100% California Refund Value material. In no case shall a certified recycling center pay or claim the refund value for any material not inspected by the recycling center.

**§ 2501 (b)** In addition to the requirements of section 2110 of these regulations, a load of material shall be deemed not eligible for any refund value if any one of the following conditions exist:

- (1) There are pieces of broken, densified bales or biscuits of aluminum beverage containers within the load. This does not include cans which have merely been flattened.
- (2) Pieces of bales of plastic are found in the load.
- (3) For transactions with consumers, the load does not consist of 100% California Refund Value material.
- (4) For transactions with consumers, pieces of broken glass are in the load.

~~(3)~~ (5) The motor vehicle, if any, used to deliver the load has a license plate from any foreign country, or any state other than California, unless all of the following conditions are met:

- (A) The person delivering the load is not a noncertified recycler, as defined at Section 14520.6 of the Act; and,
- (B) The total refund value of material delivered by any one person per day does not exceed fifty (50) dollars (\$50.00); and,
- (C) The load is not ineligible pursuant to subsection (b)(1) through (b)(4) ; above.

**§ 2525 (a)** Except for reverse vending machines as provided in subsection 2525(c) below, the recycling centers shall prepare and maintain a copy of a press pre-numbered receipt or a receipt

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produced by an automatic computer-generated numbering system that cannot be altered by the participant, for any purchase or donation of empty beverage containers in the amount of one hundred dollars (\$100.00) or more in refund value. A copy of the receipt shall be provided to the person selling or donating the material. The receipt must be fully completed when the empty beverage containers are received prior to payment to the consumer and shall include all of the following information:

- (1) The total weight or count of materials by material type (the recycling center shall comply with section 2535(f) but may treat different colors of glass as different material types only for recordkeeping purposes pursuant to this section); and
- (2) The total payment made by the recycling center or the amount paid for each material type; and
- (3) The basis for the refund value payment (e.g., segregated and counted, segregated and weighed, ~~combined~~ or, if no refund value is paid, indicate scrap only); and
- (4) The certification number of the recycling center; and
- (5) The date of the sale or donation; and
- (6) The printed name and signature of the person selling or donating the material or a statement explaining why such could not be obtained; and
- (7) Additional information identifying the person selling or donating the material. The additional information shall be either: the person's valid driver license number and state of issuance or vehicle license number and state of issuance. If neither identifying item is available, a California Identification Card number may be substituted. In the absence of any of these items of identification, a statement shall be required explaining why the additional information could not be obtained.

**§ 2525 (b)** Except for reverse vending machines as provided in subsection 2525(c) below, for all purchases or donations with a total refund value of less than one hundred dollars (\$100.00), the recycling center shall either prepare a receipt pursuant to subsection 2525(a), or shall maintain a log setting forth the information required by subsections (a)(1) through (a)(6) above. The receipt or log must be fully completed when the empty beverage containers are received prior to payment to the consumer. Any item of additional identifying information specified in subsection 2525(a)(7) above may be substituted for the printed name of the person selling or donating the material.

**Newly Proposed Change**

**§ 2525 (d)** For all donations made anonymously, such as those left at the recycling center when the recycling center is not open for business, the recycling center shall prepare a receipt or log setting forth the information required by subsections 2525(a)(1) through (a)(5) above. The ~~refund~~

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value basis stated on such a log or receipt shall be ~~based on the applicable commingled rates~~ scrap. Such receipts or log entries shall be scrap prepared on at least a daily basis for all days when the recycling center receives anonymous donations.

**§ 2525 (i)** - The recycling center shall prepare and retain daily summaries of all receipt and log transactions, including donations, for each shipping report and shall contain all of the following:-

(1) The summaries shall contain the material type, the total weight or the weight by of each basis for the refund value payment (e.g., segregated and counted, segregated and weighed, ~~commingled~~, or, if no refund value is paid, indicate scrap only) and the corresponding refund value for each day of the shipping report period.

(2) The summaries shall also include the total number of consumer transactions for each material type by basis (e.g., 10 segregated and counted, 20 segregated and weighed, and/or 5 scrap consumer transactions).

(3) If the refund value for a daily summary is being reported on more than one shipping report, the allocation to each shipping report must be clearly documented on the daily summary.

(4) On a quarterly basis, the recycler shall reconcile its book inventory to its physical inventory for each material type, write-off any excess redemption weight, and document any adjustments on the daily summary.

**§ 2530 (e) (4)** The following information based upon the information contained in the receipts and logs and the received shipping reports:

(A) Total weight and/or count of empty beverage containers purchased by basis for refund value payment (e.g. segregated and weighed, ~~commingled and weighed~~, segregated and counted, scrap-only weight).

(B) Total number of consumer transactions by basis (e.g., 10 segregated and counted, 20 segregated and weighed, and/or 5 scrap consumer transactions).

~~(B)~~(C) The redemption weight of the material.

~~(C)~~(D) The total refund value.

**§ 2530(f)** For material received by the recycling center from a dropoff or collection program, community service program or curbside program, the recycling center shall prepare a separate shipping report for each material type and provide a copy of the completed shipping report to the shipping dropoff or collection program, community service program or curbside program.

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Shipping reports prepared pursuant to this subsection shall contain all of the following information:

- (1) The name, certification or identification number for the entity shipping the material, as well as the name and telephone number of a contact person; and
- (2) The name and certification number of the recycling center receiving the material; and
- (3) The date the material was received and the material type covered by the report; and
- (4) The received weight, excluding rejected containers, line breakage, and out-of-state containers; and
- (5) The refund value paid; and
- (6) The name and signature of the shipper or an authorized representative of the shipper and the date signed; and
- (7) The name and signature of an authorized representative of the recycling center and the date signed; and
- (8) The weight ticket date and weight ticket number; and
- (9) Except for loads of material received from curbside programs, the vehicle license number and state of issuance of vehicle used to deliver the materials to the recycling center; If delivery is made by a semi-truck or other tractor-trailer, the name of the trucking company, the cab license number, the trailer(s) license number(s), and shipping container number.
- ~~(9)~~(10) The shrinkage deduction taken, if any.
- ~~(10)~~(11) The redemption weight; and, for plastic, aluminum, and glass, collected by a curbside program, or a dropoff or collection program that meets the requirements of Section 2850, the registered curbside program or certified entity eligible for the quality incentive payment shall be identified as either the Shipper (S), or the Receiver (R) in the QIP (Quality Incentive Payment) Box.

**Newly Proposed Change**

**§ 2535 (b)(1)** - The consumer has the option of being paid based on count for up to ~~50~~100 empty beverage containers ~~of each material type~~, per day.

**§ 2535 (d)(5)** ~~For commingled materials delivered from consumers, payment shall be based on the received weight of the material, multiplied by the applicable commingled rate.~~

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**§ 2535 (f)(1)** - It is a violation of this Section for a recycling center to split any loads from a person, operation or entity into multiple transactions ~~in excess of the aforementioned weights,~~ or accept during any one day an aggregate total of material in excess of the aforementioned weights from any person not certified by the Division. Material delivered in a single vehicle shall be considered a single load and recorded as one transaction.

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