

# *Consumer Load Limit Workshop Handouts*

This package of documents includes information necessary for understanding the program functionality modifications being proposed and potential impacts that will be discussed at the workshop.

## **Consumer Transaction Load Limits - Functional Model**

- This is a high level functional model representing program functionality as currently outlined in Title 14 of the California Code of Regulations (regulations). These objects/shapes are shaded on the drawing.
- The grey objects/shapes and text represent impacted existing functionality, possible issues and their resolution, associated with a reduction in the consumer transaction load limits.

## **Building Blocks Identified in the Consumer Transaction Load Limit Functional Model**

- This is a simplified matrix used to identify entities that will be impacted by changes in the consumer transaction limits and also provides the associated section of the regulations.

## **Building Block1: Options A through D Matrix**

- This is simplified matrix of possible combinations of consumer transaction load limits and soft reporting requirements for consideration at the workshop. It was determined that consumer transaction load limits and soft reporting are linked and need to be considered together.
- Soft report is reporting to the department that is not directly linked to processing a claim for payment.

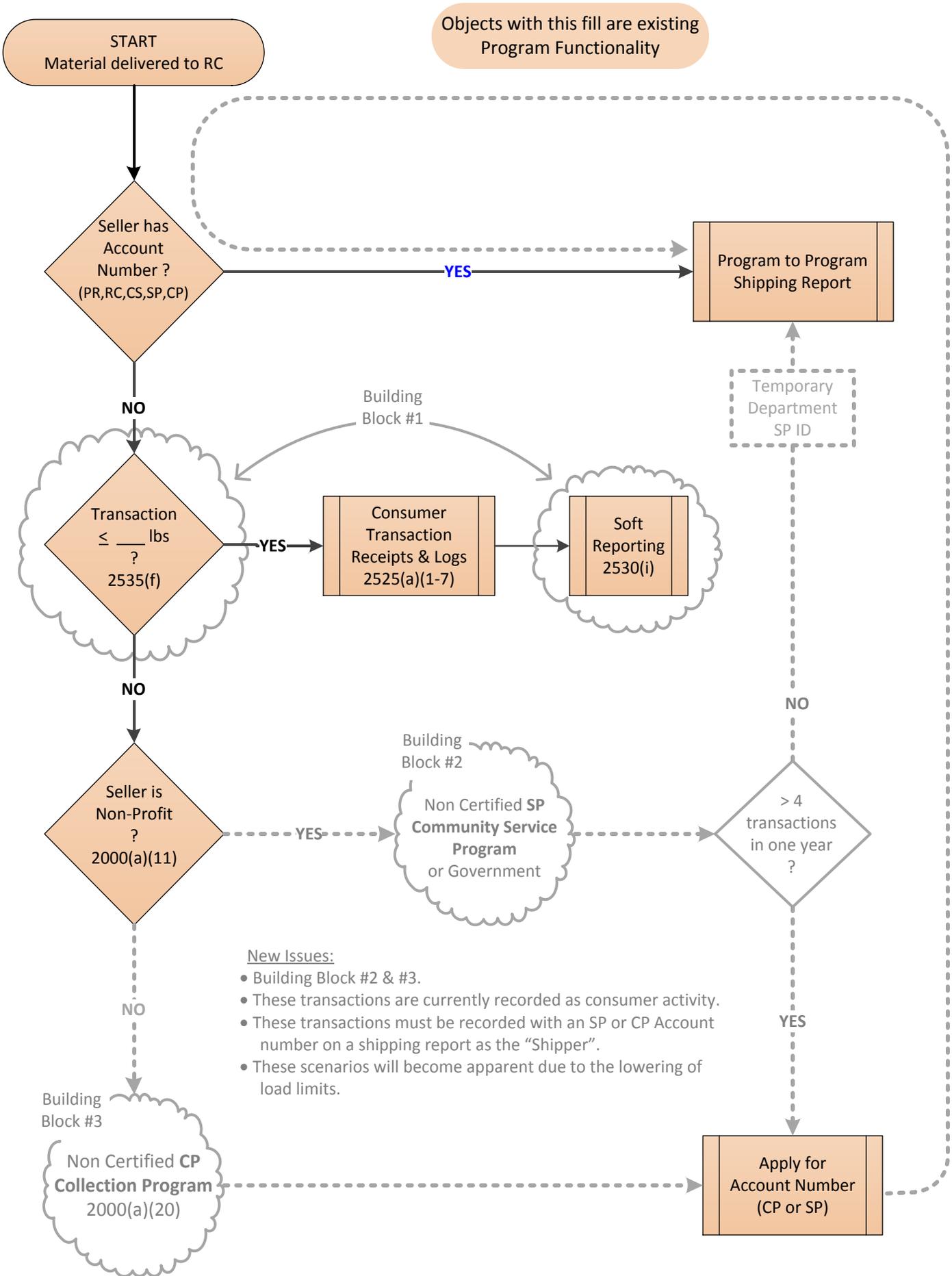
## **Non – Certified Community Service Program Functional Model (Building block 2)**

- This represents a potential method for resolving issues associated with noncertified Community Service Programs that will potentially be impacted by a reduction in the consumer transaction load limits.

## **Consumer Transaction Load Limits Regulation and Act - Extracted Text for Ease of Reference**

- This is a simple matrix of regulation and Act sections being made available for quick reference. We have also included applicable pages extracted from the regulations and Act as additional reference.

# Consumer Transaction Load Limits Functional Model



## Building Blocks Identified in the Consumer Transaction Load Limit Functional Model

<p>Block #1</p> 	<p>CONSUMER LOAD LIMITS</p>	<p>2535 (f)</p>
<p>Block #1</p> 	<p>SOFT REPORTING LIMITS</p>	<p>2530 (i)</p>
<p>Block #2</p> 	<p>Non CERTIFIED COMMUNITY SERVICE PROGRAMS</p>	<p>2000 (a) (11)</p>
<p>Block #3</p> 	<p>Non CERTIFIED COLLECTION PROGRAMS</p>	<p>2000 (a) (20)</p>

## Building Block #1: Options A through D Matrix

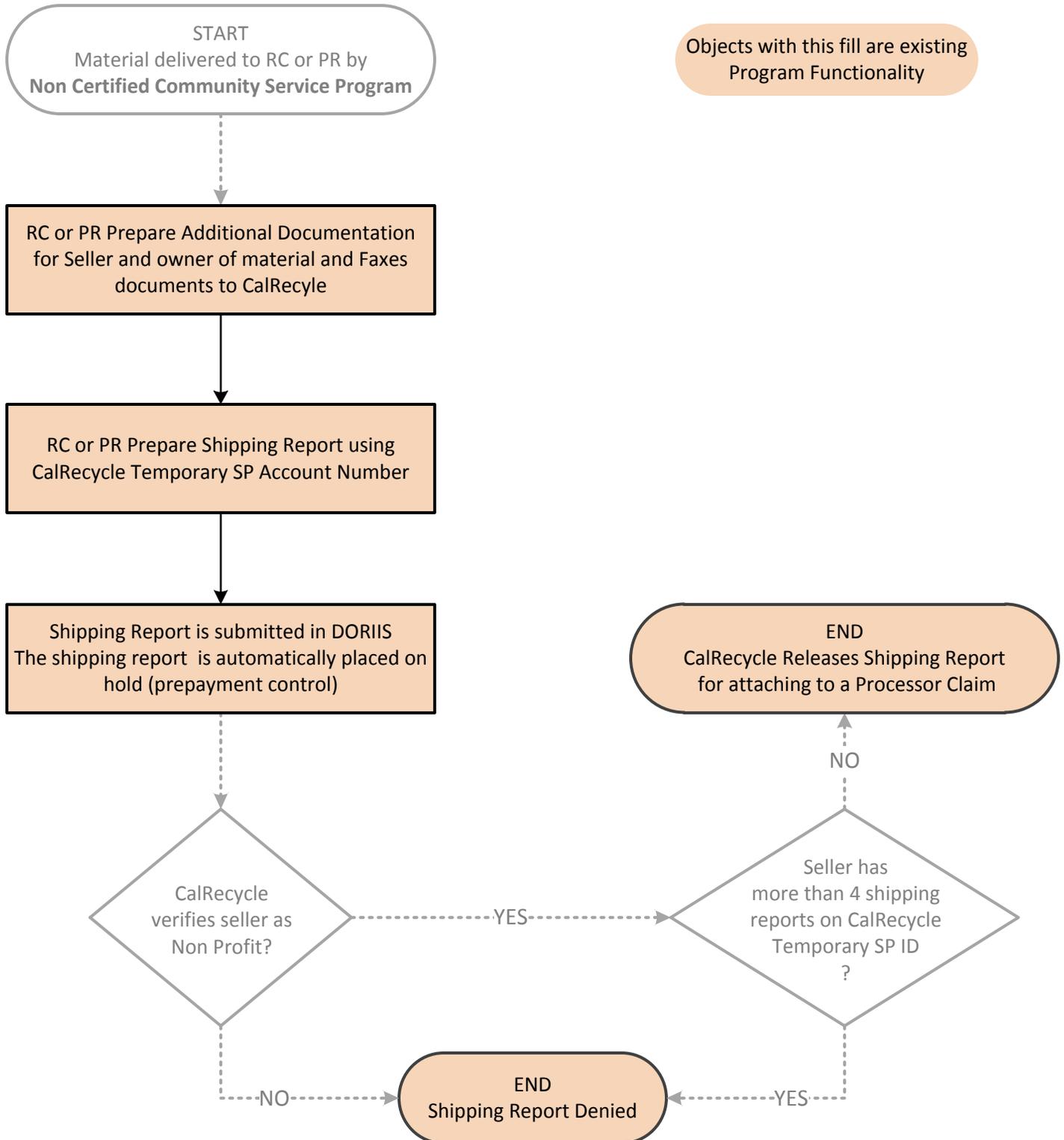
Option	Soft Reporting Limits	Aluminum and Plastic Load limits	Glass Load limits
A	None	50 lbs.	250 lbs.
B	None	100 lbs.	500 lbs.
C	$\geq \$ 100$	150 lbs.	1,500 lbs.
D	$\geq 250$ lbs.	500 lbs.	2,500 lbs.

# Consumer Transaction Load Limits

## Non Certified Community Service Program Functional Model

### Building Block #2

Opportunity to enter into agreement with the Department to redeem materials using a Department authorized SP Account number



# Consumer Transaction Load Limits

## Regulation and Act

Extracted text for reference

Consumer Transaction Load Limits Workshop – Regulation and Act text for Reference

<i><b>ACT or Regulation</b></i>	<i><b>Topic</b></i>	<i><b>Text from Regulations or PRC</b></i>
<b>2000 (a) (11)</b>	Definition of Community Service Program	2000(a)(11) "Community Service Program" means a program, certified by the Division, which does not pay a refund value and accepts or collects empty beverage containers at a specific location or locations and meets one of the following criteria: (A) The program is organized under Section 501(c) or 501(d) of the Internal Revenue Code [26 U.S.C. 501(c) and 501(d)], or (B) The program is a charitable group organized under Section 23701 of the California Revenue and Taxation Code, or (C) The program is operated by, or caused to be operated by, a city, county or other public agency.
<b>2000 (a) (20)</b>	Definition of Collection Program	2000(a)(20) "Dropoff or Collection Program" means a recycling program which does not pay refund value and accepts or collects empty beverage containers, and which cannot qualify as a curbside program as defined in Section 14509.5 of the Act. "Dropoff or Collection Program" also means a program which separates recyclables from mixed municipal waste. "Dropoff or Collection Program" does not mean a program which accepts or collects recyclable materials which have already been separated from mixed municipal waste. Dropoff or Collection Program includes a Neighborhood Dropoff Program which meets all of the criteria in Section 14514.4.1 of the Act.
<b>PRC 14509.5</b>	Definition of CS	PRC 14509.5. "Curbside program" means a recycling program which meets all of the following criteria: (a) The program picks up empty beverage containers from individual or multiple family residences, or both, and the empty beverage containers are separated from waste materials prior to being picked up. (b) The program is operated by, or pursuant to a contract with, a city, county, or other public agency, or is acknowledged, in writing, by a city, county, or other public agency. (c) The program accepts empty beverage containers from consumers with the intent to recycle them, but does not pay the refund value.
<b>2500 (h)</b>	RC collecting Material	2500(h) Notwithstanding section 2060(e) of these regulations, if all of the requirements of section 2525(k) are met, a certified recycling center may collect, and pay refund value for, empty beverage containers at a church, school, business where beverages are consumed, or other community service organization.
<b>2060 (e)</b>	Referenced in 2500 (h)	2060(e) The certificate is issued to a specific operator of a recycling center or processing facility for a specific category of certification for a specific location. The certificate issued to a dropoff or collection program or community service program is issued to the operator for a specific category.

Consumer Transaction Load Limits Workshop – Regulation and Act text for Reference

<p><b>2525 (a) (1-7)</b></p>	<p>Receipts and Logs</p>	<p>§2525. RECORDKEEPING.                  Recycling centers shall maintain the following records in accordance with the general requirements set forth in section 2085 of these regulations.                  (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 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, 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, commingled, 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.</p>
<p><b>2525 (k)</b></p>	<p>RC Collecting material</p>	<p>2525(k) Certified recycling centers collecting materials pursuant to section 2500(h) shall, in addition to subsections (a) through (j) of this section, do both of the following:                  (1) Maintain a written agreement at the recycling center which is between the recycling center and the church, school, business where beverages are consumed, or other community service organization. The agreement must include, at a minimum, the following:                  (A) The name, address, and certification number of the recycling center, as well as the name and phone number of a contact person at the recycling center; and                  (B) The name and address of the organization to be served by the recycling center, as well as the name and phone number of a contact person at the organization; and                  (C) Language, typed or legibly handwritten in English, which states the agreement between the recycling center and the organization and includes the material type of beverage containers to be picked up and the method of determining the weight of beverage containers picked up.                  (2) Prepare, issue and maintain a receipt for the transaction, regardless of the amount of the transaction. The receipt shall be in the form of a press pre-numbered receipt and shall include all of the information specified in Section 2525(a)(1) through (a)(6) and section 2525(k)(1)(B) of these regulations.</p>

Consumer Transaction Load Limits Workshop – Regulation and Act text for Reference

<p><b>2530 (i)</b></p>	<p>Soft Reporting 250 lb Rpt</p>	<p>2525 (i) Each recycling center shall maintain a separate list of all purchases of more than 250 pounds of aluminum beverage containers. Such list (or legible copies of the receipts) shall be sent to the Division weekly and shall contain all of the following information, taken from the receipt prepared pursuant to section 2525(a) of these regulations:</p> <ol style="list-style-type: none"> <li>(1) The receipt number for the transaction; and</li> <li>(2) The name of the person selling the material; and</li> <li>(3) The additional identifying information of the person selling the material; and</li> <li>(4) The name, address, and certification number of the recycling center submitting the list;</li> <li>(5) The transaction date; and</li> <li>(6) The pounds purchased on the receipt; and</li> <li>(7) The total amount paid.</li> </ol>
<p><b>2535 (f)</b></p>	<p>Load Limits</p>	<p>2535 (f) A certified recycler shall not pay the refund value to, or claim refund value for any material received from any person, operation or entity who is not certified by the Division, delivering a load of material in excess of 500 pounds of aluminum or plastic beverage containers, or 2,500 pounds of glass beverage containers, per day. This limitation is applicable to all transactions, including those performed pursuant to section 2500(h) of these regulations.</p> <ol style="list-style-type: none"> <li>(1) It is a violation of this Section for a recycling center to split loads 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.</li> </ol>

(8) "Certification Sign" means a sign or decal issued by the Division for display which identifies the operator of a recycling center as meeting the requirements for certification by the Division.

(9) "Clearly and Prominently" means that the redemption message is displayed so that it is easily found and read by consumers and recyclers. Each letter comprising the message is complete, legible, and cannot be readily obscured. Other factors include boldness, width, spacing, and location of lettering. The message must be distinguishable from refund messages of other states.

(9.5) "Close proximity" means the area within, or adjacent to, a convenience zone, as determined by the Division on a case-by-case basis considering geographic and demographic factors, and consumer convenience.

(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 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.

2000(a)(11)

(11) "Community Service Program" means a program, certified by the Division, which does not pay a refund value and accepts or collects empty beverage containers at a specific location or locations and meets one of the following criteria:

(A) The program is organized under Section 501(c) or 501(d) of the Internal Revenue Code [26 U.S.C. 501(c) and 501(d)], or

(B) The program is a charitable group organized under Section 23701 of the California Revenue and Taxation Code, or

(C) The program is operated by, or caused to be operated by, a city, county or other public agency.

(11.1) "Consolidated Shipping Report" documents the delivery and receipt of material for processors or recycling centers that operate multiple recycling centers or receive material from dropoff or collection programs, community service programs, or curbside programs and is prepared pursuant to subsection 2090(f) of these regulations.

(12) "Contrasting Colors" as used in reference to the redemption message lettering means a clear differentiation in hue, value, and intensity with the background on which the redemption message appears, surrounding artwork, and other nearby printed information.

(13) "Days" means all calendar days unless provided otherwise.

(14) "Delivered" or "Delivery", as used in subchapters 5 & 6 of these regulations, means physically taking possession of the material.

(15) "Dual Certified Entity" means any person who is certified as a processor and also a recycling center at the same location as the processor.

(16) "Densification" means the process of compressing material for the purpose of increasing the weight to volume ratio.

(17) "Disposal Cost" means the transportation cost for hauling postfilled beverage container types to a state-permitted disposal site (landfill, incinerator, or other type of state-permitted site), plus the specified disposal fee.

(18) "Division" means the Division of Recycling, which is within the Department of Conservation.

(19) (Reserved)

(20) "Dropoff or Collection Program" means a recycling program which does not pay refund value and accepts or collects empty beverage containers, and which cannot qualify as a curbside program as defined in Section 14509.5 of the Act. "Dropoff or Collection Program" also means a program which separates recyclables from mixed municipal waste. "Dropoff or Collection Program" does not mean a program which accepts or collects recyclable materials which have already been separated from mixed municipal waste. Dropoff or Collection Program includes a Neighborhood Dropoff Program which meets all of the criteria in Section 14514.4.1 of the Act.

(21) "Empty Beverage Container" means a beverage container which meets all the requirements in Section 14512 of the Act except that such term does not include refillable beverage containers.

(22) "Exemption" means an exclusion to the requirement that a recycling center must be established in a convenience zone.

(22.5) "Exempt convenience zone" or "Exempt zone" means a convenience zone which has been granted an exemption pursuant to Section 14571.8 of the Act.

(23) "Exporting" means the act of sending a filled or unfilled empty beverage container or empty beverage container component permanently out of this State.

(24) "Facility" means a recycling or processing operation that has been built, installed or established to serve as a collection or processing point for redeemable beverage containers.

(25) "Grandfathered" is a term which refers to recycling centers that meet the requirements of section 2500(c) of these regulations.

(26) "Importing" means the act of bringing into this State a filled or unfilled empty beverage container or empty beverage container component.

(27) "Indelibly" means that the redemption message is permanently affixed on the beverage container from the point of purchase until the point of redemption and cannot be smeared or removed during regular use.

(27.1) "Individual Commingled Rate" means a commingled rate approved by the Division which is applicable to dropoff or collection, community service, or curbside programs, which have obtained prior approval from the Division.

(27.5) "Interested person" means a supermarket, dealer, certified recycling center, person with a pending certification application, located in or in close proximity to the zone under consideration for an exemption or revocation of an exemption, or a local government agency with jurisdiction over the area where the zone under consideration for an exemption or revocation is located.

(27.6) "Line Breakage," for purposes of these regulations, means preconsumer material that is recycled or disposed of by a container manufacturer, beverage manufacturer, distributor, or dealer.

2000(a)(20)

enrollment of a community conservation corps for the purposes of subdivision (a) of Section 14581, the California Conservation Corps shall not include special corpsmembers, as described in Section 14303, who are employed by a community conservation corps.

(b) The California Conservation Corps shall evaluate a community conservation corps for the purpose of determining its eligibility for certification, pursuant to this section, after it has completed 12 months of continuous operation, and annually thereafter.

**14508.** “Consumer” means every person who, for his or her use or consumption, purchases a beverage in a beverage container from a dealer. “Consumer” includes, but is not limited to, a lodging, eating, or drinking establishment, and soft drink vending machines.

**14509.** “Container manufacturer” means any person who produces beverage containers for filling by beverage manufacturers, including any person who imports these beverage containers from outside of this state for filling by beverage manufacturers.

**14509.3.** “Cullet” means scrap glass that is derived from postfilled food, drink, or beverage container glass produced or imported for sale in the state.

**14509.4.** “Convenience zone” means either of the following:

(a) The area within a one-half mile radius of a supermarket.

(b) The area designated by the department pursuant to Section 14571.5.

**14509.5.** “Curbside program” means a recycling program which meets all of the following criteria:

(a) The program picks up empty beverage containers from individual or

multiple family residences, or both, and the empty beverage containers are separated from waste materials prior to being picked up.

(b) The program is operated by, or pursuant to a contract with, a city, county, or other public agency, or is acknowledged, in writing, by a city, county, or other public agency.

(c) The program accepts empty beverage containers from consumers with the intent to recycle them, but does not pay the refund value.

**14510.** “Dealer” means a retail establishment which offers the sale of beverages in beverage containers to consumers. However, any lodging, eating, or drinking establishment, or soft drink vending machine operator who engages in the sale of beverages in beverage containers to consumers shall not be deemed a dealer for the purposes of this division, except that these sales are subject to Section 14560. To determine which retail establishments are dealers, the department shall use annual or more frequent updates provided by American Business Information, Inc., as long as the information provided by American Business Information, Inc., is updated at least annually.

**14510.5.** “Department” means the Division of Recycling in the Department of Resources Recycling and Recovery.

**14510.6.** “Director” means the Director of Resources Recycling and Recovery.

**14511.** “Distributor” means every person who engages in the sale of beverages in beverage containers to a dealer in this state, including any manufacturer who engages in these sales. “Distributor” includes any person who imports beverages from outside of this state for sale to dealers or consumers in this state.

- \* Refund is not paid for packaging, contamination such as dirt or moisture, nor beverage containers not properly labeled with the California redemption value message.
- \* This recycler will discount the refund value, and may discount scrap value for loads of containers which include nonredemption material.
- \* The consumer has the right to:
  - a. Accept a discounted refund and/or scrap price.
  - b. Separate refund from nonrefund material.
  - c. Take material back.

Figure 9.

(f) Each certified recycling center utilizing a reverse vending machine shall post the following on each machine near the certification sign provided by the Division:

(1) A legible sign indicating its hours of operation, and

(2) A refund price sign or decal indicating the prices paid by weight or per container for each material type accepted by that reverse vending machine. The refund price sign or decal shall be at a minimum 15 square inches with lettering of at least 3/8 inch in height. A refund price sign or decal not meeting the requirements of this section may be posted if requested in writing and approved in writing by the Division.

(3) A sign which specifies the method approved by the Division for redeeming empty beverage containers which are odd-sized, made of materials other than aluminum, glass or plastic, or otherwise not accepted by the reverse vending machine or if the reverse vending machine is out of order. If in-store redemption is the alternative method, a sign which is at a minimum 120 square inches with lettering of at least 1/2 inch in height shall be posted which specifies that containers will be redeemed at all open cash registers or the sign must designate exactly where redemption will occur.

(A) If beverage containers are not redeemed at all open registers, a sign shall be posted where refund value payment occurs within the store. The sign shall contain, at a minimum, the words "Redeem CA beverage containers here", and consist of lettering at least 3 inches in height.

(g) The operator of a certified recycling center shall maintain records and submit reports regarding redemption activities in compliance with Article 3 of this subchapter.

(h) Notwithstanding section 2060(e) of these regulations, if all of the requirements of section 2525(k) are met, a certified recycling center may collect, and pay refund value for, empty beverage containers at a church, school, business where beverages are consumed, or other community service organization.

Authority: Section 14530.5(b) and 14536(b), Public Resources Code. Reference: Sections 14501(i), 14515.6, 14538, 14571, 14571.3, 14572(a), (b) and (c) and 14572.5, Public Resources Code.



(e) The certificate is issued to a specific operator of a recycling center or processing facility for a specific category of certification for a specific location. The certificate issued to a dropoff or collection program or community service program is issued to the operator for a specific category.

Authority: Sections 14530.5(b) and 14536(b), Public Resources Code. Reference: Sections 14511.7, 14538 and 14539, Public Resources Code.

#### §2065. POSTING OF CERTIFICATION.

(a) The certification sign provided by the Division shall be prominently displayed where it can be viewed by customers approaching the recycling center.

(b) The certification sign may be posted at a location which varies from the provisions of this section if requested in writing and approved in writing by the Division.

(c) The certificate or certification sign shall not be displayed by any person, company, processor, recycling center, dropoff or collection program, community service program or other entity not approved for certification by the Division. Dropoff or collection programs or community service programs, and processors are not required to post a certification sign.

(d) The certificate is the property of the Division and shall be returned to the Division upon decertification, revocation of certification, invalidation of certification or expiration of certification.

(e) The certification sign is the property of the Division and, at the request of the Division, this sign shall be returned to the Division upon decertification, revocation of certification, invalidation of certification or expiration of certification. Certification decals are exempt from this provision.

Authority: Sections 14530.5(b) and 14536(b), Public Resources Code. Reference: Sections 14511.7, 14538 and 14539, Public Resources Code.

### Article 4. General Accounting Requirements

#### §2070. APPLICABILITY.

To the extent that a person performs the functions of more than one entity (such as beverage manufacturer and distributor or recycling center and processor) governed by these regulations, such person shall separately comply with the applicable subchapter and article for each function. The provisions of this article apply to every person subject to regulation under the Act, including but not limited to container manufacturers, beverage manufacturers, distributors, recycling centers, and processors, unless specifically stated otherwise.

Authority: Sections 14530.5(b) and 14536, Public Resources Code. Reference: Sections 14530.5 and 14536, Public Resources Code.

#### §2075. EXAMINATIONS.

(a) The Division or persons authorized by it shall conduct examinations of curbside programs, recycling centers, processors, beverage manufacturers, distributors, and any other person subject to audit or examination pursuant to the Act. Nothing herein shall limit the authority of the Division

for materials which were not redeemed for refund value and such discrepancies between reported redemption weights and shipping weights are more than two and one-half percent.

Authority: Section 14530.5, 14536 and 14552(e). Public Resources Code. Reference: Section 14504, 14526.6 and 14585, Public Resources Code.

#### §2519. HANDLING FEE APPEALS.

(a) Recycling centers may file a formal appeal by writing to the Division within thirty (30) calendar days of the warrant date of the payment or the date of the Notice of Denial (NOD). Appeals submitted after this time period will be rejected. All written appeals must include:

- (1) A list of applicable certification numbers and corresponding facility addresses; and
- (2) the month(s) and year(s) in question; and
- (3) the canceled, original Form(s) DR-14 (1/00) and NOD(s), if this is an appeal of a denial; and,
- (4) a copy of the remittance advice, if this is an appeal of a payment determination; and
- (5) a short explanation of why you believe the determination was in error; and
- (6) any other documentation that supports your appeal.

(b) A decision on the appeal will be sent, in writing, within fifteen (15) working days of receipt of the appeal.

Authority: Section 14530.5 and 14536, Public Resources Code. Reference: Section 14526.6, 14585, Public Resources Code.

### Article 3. Accounting and Reporting Requirements

#### §2520. APPLICABILITY.

In addition to the general accounting requirements of subchapter 2, recycling centers shall comply with the accounting and reporting provisions of this article.

**2525(a)(1-7)**

Authority: Sections 14530.5 and 14536, Public Resources Code. Reference: Sections 14530.5 and 14536, Public Resources

#### §2525. RECORDKEEPING.

Recycling centers shall maintain the following records in accordance with the general requirements set forth in section 2085 of these regulations.

(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 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, 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, commingled, 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.

(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. 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.

(c) For all material received from a reverse vending machine owned or operated by the recycling center, the recycling center shall prepare a receipt or log each time material is removed from the reverse vending machine, or if material is removed more than once a day, on a daily basis. The receipt or log shall set forth the meter reading, date, total weight, and certification number. Recycling centers shall retain such receipts or logs in their records along with the copies of any receipts issued by the machine. For redemption transactions other than machine transactions, receipt and log requirements pursuant to 2525(a) or (b) shall be followed.

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

(e) The recycling center shall retain a copy of any shipping report which the recycling center prepares or receives from another recycling center pursuant to section 2530 of these regulations.

(f) The recycling center shall retain a copy of the weight ticket prepared by the recycling center, or provided by the person receiving material from the recycling center, describing the weight of shipped material by material type.

(g) The recycling center shall retain a copy of any report to the Division for handling fee prepared pursuant to section 2530 of these regulations.

(h) The recycling center shall prepare and retain a receipt setting forth the information required by subsection (b) of this section for all scrap transactions. In addition, the receipt shall indicate whether the load consisted of rejected containers, line-breakage containers, or out-of-state beverage containers.

(i) The recycling center shall prepare and retain daily summaries of all receipt and log transactions, including donations, for each shipping report. The summaries shall contain the total weight or the weight by 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.

2525(k)

(j) Records of allowable costs. Recycling centers shall maintain records containing the information specified at section 2960(b)(1) through (12), inclusive.

(k) Certified recycling centers collecting materials pursuant to section 2500(h) shall, in addition to subsections (a) through (j) of this section, do both of the following:

(1) Maintain a written agreement at the recycling center which is between the recycling center and the church, school, business where beverages are consumed, or other community service organization. The agreement must include, at a minimum, the following:

(A) The name, address, and certification number of the recycling center, as well as the name and phone number of a contact person at the recycling center; and

(B) The name and address of the organization to be served by the recycling center, as well as the name and phone number of a contact person at the organization; and

(C) Language, typed or legibly handwritten in English, which states the agreement between the recycling center and the organization and includes the material type of beverage containers to be picked up and the method of determining the weight of beverage containers picked up.

(2) Prepare, issue and maintain a receipt for the transaction, regardless of the amount of the transaction. The receipt shall be in the form of a press pre-numbered receipt and shall include all of the information specified in Section 2525(a)(1) through (a)(6) and section 2525(k)(1)(B) of these regulations.

Authority: Sections 14530.5 and 14536, Public Resources Code. Reference: Sections 14537, 14538, 14552, 14575 and 14585, Public Resources Code.

## §2530. REPORTING.

Recycling centers shall prepare and submit all of the following reports in accordance with the general requirements for reporting of section 2090 of these regulations.

(a) A shipping report for each delivery (of material subject to the Act) between:

(1) the recycling center and any other recycling center; or

(2) the recycling center and the processor; or

(3) the recycling center and a dropoff or collection program, community service program or curbside program, as provided in subdivision (f), below.

(b) The shipping recycling center shall indicate on the shipping report all information listed under subsection 2530(e)(1) through (6), provide the shipping report containing this information to the person receiving the shipment and shall retain a completed copy; the shipping report shall accompany the material shipped, except as noted in (1) below. For shipments to processors, the

(8) The weight ticket date and weight ticket number; and

(9) The shrinkage deduction taken, if any.

(10) 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.

(g) For material received by a recycling center from another recycling center, the receiving recycling center shall ensure that all the information specified in subsection 2530(f)(1) through (8) is recorded on the report and provide a copy of the completed shipping report to the shipping recycling center.

(h) To obtain handling fees, only those recycling centers eligible for such fees, as described in section 2516, shall submit a Handling Fee Application Form (Form DR-14 (1/00)) to the Division for the calendar month for which handling fees are being claimed. The Form DR-14 (1/00) shall be submitted no later than the first day of the second month following the reporting month. Forms submitted after this date, and incorrectly completed forms, will be denied for payment and the handling fee will be forfeited for that calendar month. Forfeiture for that calendar month will not affect eligibility for subsequent months. There shall be a separate Form DR-14 (1/00) completed for each supermarket site recycling center, nonprofit convenience zone recycler, or rural region recycler which shall include all of the following information in addition to that required by section 2090 of these regulations:

(1) The calendar month and year covered by the report; and

(2) The name, and mailing address of the recycling center; and

(3) The name and telephone number of a contact person; and

(4) The certification number of the supermarket site recycling center, nonprofit convenience zone recycler, or rural region recycler; and,

(5) A change of mailing address, ownership or a closing of the supermarket site recycling center, nonprofit convenience zone recycler, or rural region recycler; and

(6) The weight, to the nearest tenth of a pound, of empty beverage containers, by material type, redeemed by that recycling center, at that supermarket site, nonprofit convenience zone recycler, or rural region recycler, only from consumers delivering that material during the hours the recycling center was open for business. This weight shall be taken from the receipts and logs of that recycling center for that calendar month; and,

(7) The signature and title of an authorized representative of the recycling center in accordance with subsections 2090(d)(4) and (5) of subchapter 2 of these regulations; and

(8) The date the application was signed.

(i) Each recycling center shall maintain a separate list of all purchases of more than 250 pounds of aluminum beverage containers. Such list (or legible copies of the receipts) shall be sent to the Division weekly and shall contain all of the following information, taken from the receipt prepared pursuant to section 2525(a) of these regulations:

(1) The receipt number for the transaction; and

(2) The name of the person selling the material; and

(3) The additional identifying information of the person selling the material; and

(4) The name, address, and certification number of the recycling center submitting the list;

and

2530(i)

- (5) The transaction date; and
- (6) The pounds purchased on the receipt; and
- (7) The total amount paid.

(j) Recycling centers purchasing materials directly from more than one curbside program, dropoff or collection program, or community service program may apply to the Division to request the use of alternative methods for preparing the corresponding shipping reports. The Division shall consider each proposed alternative method and issue a written approval or denial within forty-five (45) calendar days.

(1) In order for alternative methods to be accepted, they must be based on reasonable allocation methods.

(2) An application for an alternative allocation method shall be denied if:

(A) The received weight of the material purchased by an entity from the recycling center is not used to calculate allocations to the curbside programs, dropoff or collection programs, or community service programs; or

(B) The recycling center does not ensure that the weight of rejected containers, line breakage, and out-of-state containers is not included in the allocated weight (this does not require a physical separation); or

(C) The recycling center does not account for each incoming load of material; or

(D) The recycling center does not inspect incoming material to verify that it is eligible for refund value payments, as specified in section 2501.

(3) Recycling centers may file a formal appeal by writing the Assistant Director for Recycling within thirty (30) calendar days after the receipt of a notice denying an application requesting an alternative method for shipping report preparation. Appeals submitted after this time period shall be rejected. All written appeals shall include:

(A) A copy of the notice denying the allocation method;

(B) A detailed explanation of why the determination was in error; and,

(C) Any other documentation that supports the appeal.

(4) A written decision on the appeal shall be sent to the recycling center within seven (7) calendar days of the receipt of the appeal.

Authority: Sections 14530.5(b) and 14536, Public Resources Code. Reference: Sections 14526.6, 14538, 14549.1, ~~14571.9~~ and 14585, Public Resources Code.

#### §2535. PAYMENTS TO CONSUMERS, CURBSIDE PROGRAMS, COMMUNITY SERVICE PROGRAMS AND DROPOFF OR COLLECTION PROGRAMS.

(a) Recycling centers shall pay on delivery the refund value for every empty beverage container not donated to the recycling center.

(b) For deliveries to a recycling center, except reverse vending machines:

(1) The consumer has the option of being paid based on count for up to 50 empty beverage containers of each material type.

(2) The recycler may pay based on count for all deliveries of empty beverage containers received from consumers.

(c) Notwithstanding any other provision of this subchapter, recycling centers shall not pay dropoff or collection, community service, and curbside programs more than the relevant commingled rate.

(d) Calculation of Payment.

(1) If the material received from consumers is segregated, as determined by the load inspection required by section 2501 of these regulations, and payment is based upon weight, payment shall be calculated by multiplying the actual weight of the empty beverage containers, by the applicable segregated refund value per pound for the relevant material type.

(2) If the payment is based on the actual number of empty beverage containers, the payment shall be based upon the following:

(A) in the case of recycling centers other than a reverse vending machine, the number of the empty beverage containers, multiplied by the refund value per empty beverage container for the relevant material type and size; or,

(B) in the case of a reverse vending machine, the number of empty beverage containers, multiplied by the refund value per empty beverage container for the relevant material type and size. If the reverse vending machine accepts empty beverage containers in gross, rather than by individual containers, and pays based on weight, the payment shall be based on the applicable refund value per pound rate.

(3) For commingled materials delivered from a dropoff or collection program, community service program or curbside program, payment shall be based on the received weight of the commingled material, excluding the weight from the line breakage, rejected out-of-state material, multiplied by the applicable commingled rate, or the Division's approved individual commingled rate.

(4) For commingled materials delivered from another recycling center, payment shall be based on the received weight of the commingled material, excluding the weight of line breakage, rejected and out-of-state material, multiplied by the applicable commingled rate.

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

(e) Recycling centers shall have the option to refuse to accept empty beverage containers which, in the opinion of the recycling center, are excessively contaminated with dirt, moisture, or other foreign substances ("shrinkage"). Alternatively, recycling centers may adjust downward the refund value per pound used to calculate payment by the ratio of such substances to empty beverage containers.

2535(f)

(f) A certified recycler shall not pay the refund value to, or claim refund value for any material received from any person, operation or entity who is not certified by the Division, delivering a load of material in excess of 500 pounds of aluminum or plastic beverage containers, or 2,500 pounds of glass beverage containers, per day. This limitation is applicable to all transactions, including those performed pursuant to section 2500(h) of these regulations.

(1) It is a violation of this Section for a recycling center to split loads 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.

Authority: Sections 14530.5 and 14536, Public Resources Code. Reference: Sections 14552(a), 14572 and 14572.5, Public Resources Code.