



Segregated Only / Reporting & Recordkeeping Regulations - Informal Workshop #1

January 30, 2014



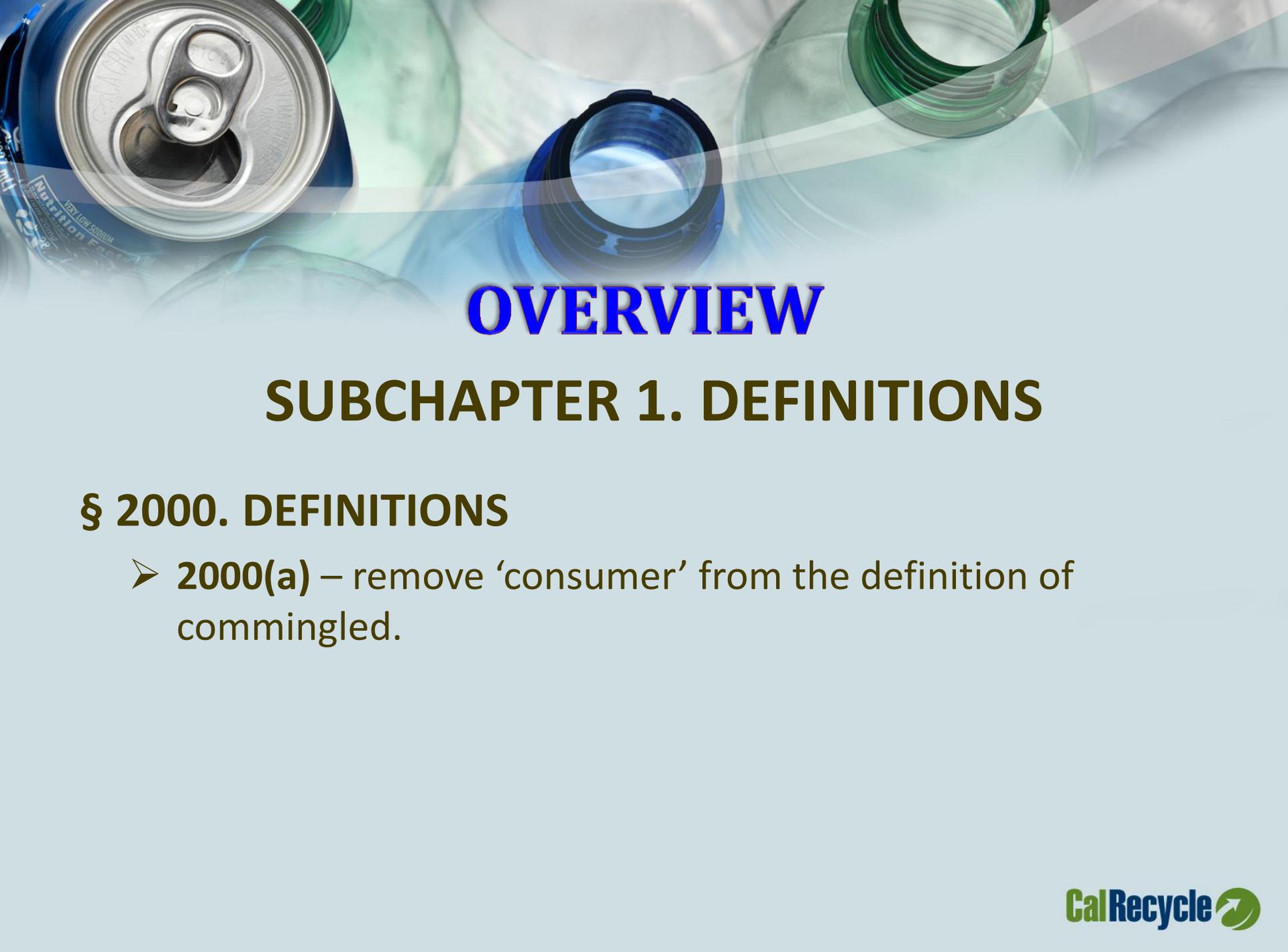
AGENDA

- **Background**
- **Overview of Proposed Regulation Changes**
- **Discussion, Feedback & Capture**
- **Next Steps**



BACKGROUND

- **Program Reform Phase I**
- **Segregated Only – Effective November 1, 2013**
- **DOR committed to pursuing regulations to implement Segregated Only mandate**
- **DOR will also propose other reporting / recordkeeping changes to regulations**

The background of the slide features a collage of various plastic bottles and a metal can lid. In the top left, there is a blue metal can lid with a pull tab. To its right and slightly below is a clear plastic bottle with a blue cap. Further right is a green plastic bottle with a green cap. The background is a light blue gradient with a subtle pattern of these items.

OVERVIEW

SUBCHAPTER 1. DEFINITIONS

§ 2000. DEFINITIONS

- **2000(a)** – remove ‘consumer’ from the definition of commingled.



OVERVIEW

SUBCHAPTER 2. GENERAL REQUIREMENTS

Article 4. General Accounting Requirements



OVERVIEW

§ 2075. EXAMINATIONS.

- **2075(b)** – add the review of the records shall be conducted on-site or off-site at the discretion of the Division.



OVERVIEW

§ 2085. RECORDS.

➤ 2085(c)

- add language requiring electronic point of sale data to be readily available for review in a commonly accepted format (i.e., excel, txt or csv). Must include all information required pursuant to 2525(a).
- 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).

A collage of recycled plastic bottles and a metal can lid. The background features several clear and green plastic bottles, some with their caps removed, and a blue metal can lid with a pull tab. The items are arranged in a way that suggests recycling and environmental awareness.

OVERVIEW

§ 2085. RECORDS.

- It would be 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.



OVERVIEW

SUBCHAPTER 5. PROCESSORS

Article 3. Accounting and Reporting Requirements

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OVERVIEW

§ 2425. REPORTING.

- **2425(e)** – add language requiring processors receiving material from any certified entity to record the vehicle license number and state of issuance of the vehicle used to deliver the materials to the processor on the shipping report.



OVERVIEW

SUBCHAPTER 6. RECYCLING CENTERS

Article 1. Requirements for Recycling Centers

Article 3. Accounting and Reporting Requirements



OVERVIEW

§ 2500. OPERATION STANDARDS.

➤ 2500(e) - Signs

- add language requiring posting of Imported Material – Advisory Sign (e.g., “This recycling center does not accept or make any payments for any out-of-state empty beverage containers. Whether labeled or not.”)
- add language requiring posting of a sign stating allowance for payment by count.



OVERVIEW

§ 2500. LOAD INSPECTION REQUIREMENTS.

- **2501(a)(1)** – amend to clarify recycling centers shall only pay segregated refund value to consumers for loads consisting of 100% CRV material.

- **2501(b)** – amend for consumers, not eligible for any refund value if...
 - The load does not consist of 100% CRV material
 - Pieces of broken glass are in the load

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§ 2525. RECORDKEEPING.

➤ 2525(a)

- Include language requiring that all required data elements must be recorded on the receipt prior to payment being issued by the recycler.
- Delete 'commingled' as a basis for CRV payment.

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§ 2525. RECORDKEEPING. (cont'd)

- **2525(b)** – Include language requiring that all required data elements must be recorded on the log/receipt prior to payment being issued by the recycler.

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§ 2525. RECORDKEEPING. (cont'd)

- **2525(d)** – delete reference to paying commingled for loads of material anonymously donated. Amend language to specifically state commingled materials must be receipted as scrap only transactions.

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§ 2525. RECORDKEEPING. (cont'd)

➤ 2525(i)

- delete reference to commingled on the daily summary, and specifically require inclusion of daily weight of scrap materials purchased.
- add the total count of transactions, by material type, and by basis as requirement on the daily summary.
- add requirements for specific documentation of cut-offs for receipt and log dates/transactions that correspond to the shipping report.

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§ 2525. RECORDKEEPING. (cont'd)

➤ 2525(i) (cont'd)

- Add requirement for recycling centers to perform a quarterly reconciliation of 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.

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§ 2530. REPORTING.

- **2530(e)(4)** – amend shipping report data elements to total segregated & weighed, segregated and counted, scrap-only weight. Also require inclusion of total number of consumer transactions, by basis, associated with the R & L dates for the material type being shipped.



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§ 2530. REPORTING. (cont'd)

- **2530(f)** – add language requiring all recycling center receiving material from dropoff or collection programs, community service programs or curbside programs to record the vehicle license number and state of issuance of the vehicle used to deliver the materials to the recycling center on the shipping report.
- **2530(g)** – amend language to reference language added to 2530(f) regarding vehicle license number and state of issuance.



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

- **2535 (b)(1)** – amend consumer option of being paid based upon count to 200 empty beverage containers or each material type, per day. RVMs excluded.
- **2535(d)(5)** – delete reference to commingled materials delivered from consumers.

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§ 2535. PAYMENTS TO CONSUMERS, CURBSIDE PROGRAMS, COMMUNITY SERVICE PROGRAMS AND DROPOFF OR COLLECTION PROGRAMS. (cont'd)

➤ 2535(f)(1)

- delete language...“in excess of the aforementioned weights” as it pertains to split loads.
- material delivered in a single vehicle would be considered a single load and recorded as one transaction.
- would make it a violation for a recycling center to split any loads from a person, operation or entity into multiple transactions.

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§ 2540. RECEIPT OF FUNDS.

- **2540(C)** – amend language to reference the reverse vending machine rate.



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SUBCHAPTER 12. DOR REQUIREMENTS

Article 1. Operations Standards

**Article 3. Accounting and Reporting
Requirements**



OVERVIEW

§ 2930. COMMINGLED RATE.

- **2930(b)** – delete language referencing the weight and analysis of individual load of empty beverage containers presented by consumers.



DISCUSSION, FEEDBACK & CAPTURE



NEXT STEPS

- CalRecycle / DOR will review & analyze feedback received during this workshop for consideration in developing draft regulations.
- CalRecycle / DOR will draft proposed regulations.
- CalRecycle / DOR will schedule another workshop in February/March 2014 to provide all interested parties an opportunity to review draft proposed regulations.