

A collage of various plastic bottles and a metal can, representing recycling materials. The background is a light blue gradient with a white curved line separating the top image from the text below. The top image shows several clear plastic bottles, a blue plastic bottle, and a blue metal can with a pull-tab lid. The can has "Nutrition Facts" and "VERY LOW SODIUM" visible on its side.

Recycling Program Enforcement Branch – Quarterly Update

July 16, 2013



AGENDA

- Objectives & Overview
- Probationary Reviews
- Inspections
- Investigations
- Accusations
- DOJ Investigation
- Regulations Update



OBJECTIVES

- To provide a level of transparency for compliance assurance & enforcement activities
- To provide performance metrics associated with major functional areas
- To highlight successful compliance assurance and/or enforcement activities by CalRecycle and our interagency partners



OVERVIEW

➤ **Certified & Registered Program Participants*:**

- Recycling Centers – 2,422
- Processors - 220
- Collection & Dropoff Programs - 219
- Community Service Programs - 118
- Curbside Programs – 587

* data as of 06/01/2013



OVERVIEW

➤ **Span of Control:**

- Processor Invoices - 41,721
- Shipping Reports – 967,402
- Total CRV paid 2012 - \$1,051,561,439
- Estimated consumer transactions at recycling centers – +20 million

* CY 2012 data as of 07/12/2013



OVERVIEW

➤ Organizational Structure – Recycling Program Enforcement Branch*

- Review & Remedy Section - 8
- Investigations Section
 - Northern CA Field Office – 12
 - Southern CA Field Offices – 16
 - Inspections Unit – 15

(*managers & field staff only)



STATUTORY AUTHORITY

14552.(a) The department shall establish and implement an auditing system to ensure that the information collected, and refund values and redemption payments paid pursuant to this division, comply with the purposes of this division. Notwithstanding Sections 14573 and 14573.5, the auditing system adopted by the department may include prepayment or postpayment controls.



STATUTORY AUTHORITY

14553.(b) - The department may inspect the operations, processes, and records of any entity required to submit a report to the department pursuant to this division to determine the accuracy of the report and compliance with the requirements of this division.



PROBATIONARY REVIEWS

➤ Overview: Risk Assessment & Case Assignment

➤ 2012 Statistics:

- Total # of DORiis Auto-Generated Cases – 641
- Recycling Centers Visited - 250
 - Passed - 125
 - Extended - 124
 - Recommended for Revocation - 0
 - Decertified during/as a result of visit - 1
 - Assessments - \$392,072.38 (\$368,422.38 restitution + \$23,650 civil penalties)



PROBATIONARY REVIEWS

➤ 2012 Statistics (cont):

- Recycling Centers Not Visited - 391
 - Passed - 68
 - Extended - 220
 - Recommended for Revocation - 0
 - Not RCs – 66
 - Decertified / Abandoned – 37



INSPECTIONS

- **Overview: Functions & Activities**
- **2012 Statistics:**
 - Total RC Inspections Conducted – 3,613
 - Notices of Non-Compliance Issued - 930
 - Notices of Violation Issued - 283
 - Civil Penalty Assessments - \$55,300



INSPECTIONS

➤ 2012 Statistics (cont):

- Total Dealer Inspections Conducted – 1,100
 - Notices of Non-Compliance Issued - 161
 - Notices of Violation Issued - 53
 - Civil Penalty Assessments - \$7,750

- **Other Activities:**
 - 250 LB Aluminum Site Visits - 145
 - Consumer Transaction Profiles - 26



INVESTIGATIONS

➤ Overview: Functions & Activities

➤ 2012 Statistics:

- Investigation cases opened - 97
- Investigation cases closed - 49
- Application denial recommendations - 24
- Revocation recommendations - 23
- DOJ Referrals - 14



ACCUSATIONS

Unresolved accusations filed before 2012:

Participant Name	Date Filed	Amount Assessed
Welch Foods, Inc. dba. Welch's	10/23/08	\$ 472,137.41
Piccadilly Imports, Inc.	12/22/08	\$ 10,990.87
Mission Fibers/Burbank Recycling	01/30/09	\$ 75,000,000.00
Paper Rush and Recycle Today	12/31/09	\$ 2,067,229.27
Villanueva Recycling	04/30/10	\$ 149,434.94
Pinos Recycling	08/24/11	\$ 118,000.00
	TOTAL:	\$ 77,817,792.49



ACCUSATIONS

Accusations filed in 2012:

Participant Name	Date Filed	Amount Assessed	Amended Filed	Amended Assessment	Date Finalized	Resolution
Unlimited Recycling	05/03/12	\$ 270,552.27			04/23/13	\$ 70,000.00
Alliance Metals	12/21/12	\$ 760,000.00	01/16/13	\$ 760,000.00	06/20/13	\$ 200,000.00
Chino Valley	09/13/12	\$ -			02/25/13	\$ 62,500.00
	TOTAL:	\$ 1,030,552.27			TOTAL:	\$ 332,500.00



ACCUSATIONS

Accusations filed before 2012 and resolved in 2012:

Participant Name	Date Filed	Amount Assessed	Amended Filed	Amended Assessment	Date Finalized	Resolution
Pacific Trading & Marketing	12/08/08	\$ 119,719.71	10/28/11	\$ 78,871.64	01/16/12	\$ 61,013.76
M & M Recycling	10/29/10	\$ 58,367.54	05/25/11	\$ 92,313.60	10/09/12	\$ 43,230.16
American National Recycling	03/04/11	\$ 3,434,688.98	04/18/11	\$ 2,954,692.72	07/18/12	\$ 500,000.00
National Retail Brands	04/19/11	\$ 179,582.30			10/02/12	\$ 16,398.95
Alamo Recycling	12/28/11	\$ 317,153.99	03/19/12	\$ 261,928.66	02/25/13	\$ 62,500.00
	TOTAL:	\$ 4,109,512.52			TOTAL:	\$ 683,142.87



DOJ INVESTIGATIONS

➤ CY 2012 Statistics:

	-----YTD Activity----- (January 1, 2012 – December 31, 2012)		
	Open Investigations	Closed Investigations	Arrests
<u>Team</u>			
Northern Recycling Fraud Team	26	6	6
Southern Recycling Fraud Team	12	13	29
<u>Total</u>	38	19	35



REGULATORY UPDATES

➤ Daily Load Limits

- 37 unique commenters
- Draft responses to comments being developed
- Target date for submission to OAL – July 31st
- Target date for implementation – September/October 2013



REGULATORY UPDATES

- **Persons Importing Out-Of-State Beverage Containers**
 - Draft regulations complete
 - Target date for submitting draft regulatory package for internal CalRecycle/CalEPA review - July 31, 2013
 - Target date for submission to OAL for initial 45-day public comment period – September/October 2013



QUESTIONS & COMMENTS