



DEPARTMENT OF CONSERVATION

DIVISION OF RECYCLING

801 K STREET • MS 19-01 • SACRAMENTO, CALIFORNIA 95814

PHONE 916 / 323-3836 • FAX 916 / 327-2144 • TDD 916 / 324-2555 • WEBSITE conservation.ca.gov

January 3, 2008

NOTICE

TO: All Interested Parties

SUBJECT: Quality Incentive Payment Program

On June 21, 2007, the Office of Administrative Law (OAL) approved the Department of Conservation (Department), Division of Recycling's (Division), emergency quality incentive payment (QIP) regulations. These emergency regulations are necessary to implement the provisions of Public Resources Code (PRC) § 14949.1, as amended by the passage of AB 3056 (Chapter 907, Statutes of 2006).

The emergency QIP regulations (California Code of Regulations [CCR] §§ 2090, 2425, 2530, and 2850) clarify the statutory requirements for eligible certified entities that handle beverage containers collected by curbside and dropoff or collection programs to submit payment claims to the Division. These emergency regulations can be found at <http://www.conservation.ca.gov/dor/crcp/recyclers/Documents/QIPemergRegText.pdf>.

The Division processes QIP claims on a biannual basis (January – June and July – December). The final date to submit QIP claims for the January – June 2007 period was November 19, 2007. The Division will now accept QIP claims for the July – December 2007 period until February 10, 2008.

Starting January 1, 2008, for the January – June 2008 period, participants can claim QIP directly on the Shipping Report Form (DR-6) by placing either an "S" for Shipper or "R" for Receiver in the QGIP/QIP box if the material is sorted and cleaned to QIP specifications prior to the completion of the DR-6 (i.e., direct purchases from curbside and dropoff or collection programs).

To claim QIP for glass, the participant must submit an individual DR-6 for each color sorted (flint, amber, and green). Glass must be sorted into all three color fractions in order to be eligible to claim for QIP. When completing the DR-6, the following glass codes should be used for identifying the material type:

GLF – glass, flint

GLA – glass, amber

GLG – glass, green

GL – glass, 3-color mix

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For materials being sorted and cleaned to QIP specifications after the completion of the DR-6 (i.e., processor-to-processor transactions), participants must submit a signed DOR 56 to the Division, no later than the first day of the second month following the reporting month (i.e., January 2008 QIP claims using a DOR 56 are due no later than March 10, 2008).

For a step-by-step process of the reporting requirements, please refer to the instructional bulletin prepared by the Division that is available at <http://www.conservation.ca.gov/dor/Notices/Documents/QIPInstructions.pdf>

In addition, the Division has also prepared a Frequently Asked Questions (FAQ) bulletin for participants. The FAQ bulletin can be found at <http://www.conservation.ca.gov/dor/Notices/Documents/FAQBulletin.pdf>.

If you have any questions regarding this notice, please contact Hieu Le at (916) 323-1493 or Hieu.Le@conservation.ca.gov.

Sincerely,

Stephen M Bantillo
Assistant Director
for Recycling