



DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY

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NOTICE

DATE: September 18, 2017
TO: All Certified Processors
SUBJECT: Common Areas of Noncompliance By Processors

As a certified processor and a stakeholder in the Program, you serve many beneficial roles and have significant responsibilities. It is crucial that you are in compliance with all aspects of the California Beverage Container Recycling and Litter Reduction Act (Act) and the California Code of Regulations (Regulations).

Over the last twenty-four months, Division of Recycling processor oversight activities included the inspection of empty beverage container deliveries to each processor, validation of cancellation methods and processor-issued authorizations to cancel, inventory reconciliation, and the review of records associated with purchases and sales of empty beverage containers. Issues of noncompliance were found in the areas listed below:

Inspection of Loads

Processors did not always monitor and inspect all loads delivered for CRV reimbursement. Pursuant to Section 2401(a) of the Regulations, certified processors shall inspect each load of containers, subject to the Act, delivered to the processor, for which refund value is claimed, to determine whether the load is eligible for any refund value. For any load delivered to a processor from a drop-off or collection program, community service program, curbside program, 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.

Cancellation of Material

The processor did not always meet the cancellation requirements. For instance, material was not always properly cancelled, authorizations to cancel were not always obtained, and documentation to properly verify cancellation was not always maintained or adequate. A certified processor shall take the actions necessary and approved by the Department of Resources Recycling and Recovery (CalRecycle) to cancel containers rendering them unfit for redemption, as noted in Section 14539(b)(7) of the Act. Cancellation means the act of removing the refund value of an empty beverage container as instructed in Section 2000(a)(4) and 2420(d)(1),(2),(3) of the Regulations.



Recordkeeping

Paperwork, such as weight tickets and bills of lading, were not always adequate, and were sometimes not provided at all. On occasions, there were large discrepancies between book and physical inventory. A certified processor shall ensure that all recordkeeping is in accordance with Section 2420 and Section 2085 of the Regulations.

Failure to comply with the Act and Regulations may result in civil penalties, restitution, revocation of authorization to cancel, and/or suspension or revocation of your certification.

Should you have any questions, please contact:

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