A. The Quality Incentive Payment (QIP) program is designed to improve the quality and marketability of empty beverage containers collected for recycling. The QIP program is authorized by Public Resources Code (PRC) Section 14549.1 as amended by the passage of Assembly Bill 3056 (Chapter 907, Statute of 2006). The QIP program provides fiscal incentives to registered curbside programs or other certified entities to improve the quality and marketability of empty glass, plastic and aluminum beverage containers collected by registered curbside programs or dropoff or collection programs.

Q. What is the Quality Incentive Payment program?

A. Effective January 1, 2007, AB 3056 repealed the QGIP program and made provisions for the Department of Conservation (Department) to establish a QIP program to pay quality incentive payments for empty glass, plastic and aluminum beverage containers sorted and/or cleaned, making current QGIP regulatory provisions obsolete.

Q. Does the QIP program replace the Quality Glass Incentive Payment (QGIP) program?

A. The Department’s Division of Recycling (Division) processes QIP claims on a biannual basis (January – June and July – December). QIP claims for the January – June 2007 period were accepted until November 19, 2007. The Division will accept QIP claims for the July – December 2007 period no later than February 10, 2008. Payment for the January – June period occurs in or around November. Payment for the July – December period occurs in or around May.

Q. How often does the Department process and pay QIP claims?

A. Starting January 1, 2008, 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. For example, a curbside program which sorts and cleans the material prior to selling to a recycling center will put an “S” for Shipper in the QGIP/QIP box on the DR-6 if it wants to claim QIP. For materials being sorted and cleaned to QIP specifications after the completion of the DR-6, participants must submit a signed DOR 56 to the Division no later than the first day of the second month following the reporting month. Prior to submitting DOR 56, a processor must submit a methodology request and receive approval from the Division.

Q. How do I claim for QIP if I am an RC8000 reporter?

A. RC8000 reporters will leave the QGIP/QIP box blank on the DR-6. QIP reporting must be completed on the Consolidated Shipping Report. RC8000 reporters should record an “R” on the Consolidated Shipping Report for all QIP eligible empty beverage containers that they process to QIP specifications, regardless of whether or not they are the curbside or dropoff or collection program operator. An example of a Consolidated Shipping Report can be found at [http://www.conservation.ca.gov/dor/crcp/recyclers/Documents/QIPemergRegText.pdf](http://www.conservation.ca.gov/dor/crcp/recyclers/Documents/QIPemergRegText.pdf).

Q. How is payment authorized?

A. The Division reviews individual Shipping Reports (DR-6), Consolidated Shipping Reports, and DOR 56s, as well as any backup documentation to ensure the accuracy of the aggregated weights for all eligible beverage container material for which the QIP is claimed.

Q. Can I submit QIP claim(s) for the January - June 2007 period?

A. The final date to submit QIP claims for the January – June 2007 period was November 19, 2007. You may request reconsideration for submitting late QIP claims by submitting a written request to the Division with a detailed explanation of the grounds for reconsideration and any other documentation that supports that request. The written request must be submitted to:

Department of Conservation  
Division of Recycling  
Market Research Branch  
801 K Street, MS 17-24  
Sacramento, CA 95814

Q. Starting January 1, 2008, for direct purchases, must the shipper/receiver complete four separate DR-6s for glass (one for each color as well as 3-color mix) for each transaction in order to qualify for QIP?

A. Effective January 1, 2008, if a participant sorts and cleans glass prior to the completion of the DR-6, the participant must submit an individual DR-6 for each color sorted (flint, amber, and green) in order to claim QIP for glass. 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

Q. **Do I have to sort three colors of glass in order to claim QIP?**

A. Yes, pursuant to California Code of Regulation (CCR) Section 2850(f)(1) color sorted means sorted into flint, amber, and green fractions. In order to be eligible to claim QIP, glass must be sorted into all three color fractions.

Q. **If a participant sorts only flint glass and leaves the remainder as mixed, is it eligible for QIP?**

A. No, pursuant to CCR 2850(f)(1) color sorted means sorted into flint, amber, and green fractions. In order to claim QIP, glass must be sorted into all three fractions.

Q. **If a participant sorts glass into flint, amber, and green glass and subsequently mixes the green and brown glass to meet customer specifications, is the green and brown eligible for QIP?**

A. Yes, however, the participant must provide a weight for each of the color fractions (flint, amber and green glass) on the individual DR-6 or DOR 56 in order to claim QIP.

Q. **If a participant receives very little brown glass and sorts only flint and green color fractions, is the flint and green glass eligible for QIP?**

A. Yes, however, the participant must submit a written letter to the Division with a detailed explanation for the reason they are claiming only flint and green color fractions. The green glass must meet the Institute of Scrap Recycling Industries (ISRI) Specification for unprocessed Green Container Glass Cullet in the most recent ISRI Scrap Specifications Circular.

Q. **Is the QIP program impacted by the recent changes in the ISRI Scrap Specifications Circular that became effective November 19, 2003?**

A. Yes, the QIP guidelines for sorting and cleaning empty aluminum and plastic beverage containers are based on the latest ISRI Scrap Specifications Circular. The QIP guideline for color sorting and cleaning empty glass beverage is based on CCR 2850(f)(1).

Q. **Do I need to have a methodology in place in order to claim QIP?**

A. For empty beverage containers that are processed to QIP specifications subsequent to completion of the DR-6, an eligible participant must obtain Department approval for a methodology to attribute the eligible empty aluminum, glass, or plastic beverage containers to the types of programs from which they were received. A certified participant
proposing a methodology to submit a DOR 56 must include a detailed description of how the entity will determine the total QIP eligible material collected from only curbside and dropoff or collection programs as compared to non-eligible material collected from other certified and non-certified entities.

Additionally, a methodology must indicate how it will reduce any residuals from the total received weight. Upon receipt of the approved methodology for each appropriate empty beverage container material type, a certified entity shall submit a DOR 56 for each empty beverage container material type to the Department for each calendar month in which the QIP is being claimed.

Q. **Is there any additional information available specific to the QIP program?**