



California Department of Resources Recycling and Recovery

# Semi-Annual Report on the Status of the Beverage Container Recycling Fund

## January – June 2024

**October 16, 2025**



**State of California**

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# Executive Summary

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Consistent with statutory requirements and the Department of Resources Recycling and Recovery's (CalRecycle) commitment to transparency, CalRecycle presents the Beverage Container Recycling Fund (BCRF, "the Fund") Semi-Annual Report (Report). The Report reviews the BCRF's adequacy to make Beverage Container Recycling Program (BCRP) payments. The BCRF is the BCRP's primary financial account and is the depository of California Refund Value (CRV). This edition reports on the second half of Fiscal Year (FY) 2023-24 and reflects data for sales and returns of beverage containers from January through June 2024. This Report includes:

- An updated fund condition statement, including revenues, transfers, and expenditures;
- Assessments of the Fund's structural deficit and/or surplus and its ability to make BCRP payments;
- Recycling rates inferred from revenues;
- Significant changes between current projections and, if applicable, changes in the Department's forecasting methodology; and
- Projected sales, returns, handling fee and processing payments, and grants awarded.

The BCRF's Report details the amount of revenues, transfers, expenditures, and fund balance in the BCRF at the end of the reporting period. Based on the information presented in this Report, CalRecycle projects that the BCRF should have adequate resources to support all mandated payments through FY 2025-26.

A structural surplus occurs when revenues in (CRV-in) exceed expenditures out (CRV-out and all other program payments) of the BCRF within the reported period. A structural deficit occurs when program payments exceed program revenue for the reported period. Importantly, a positive or negative BCRF balance does not indicate whether there is a structural surplus or deficit for the reported period. CalRecycle reports an actual structural surplus of \$272 million for FY 2023-24 and projected structural surpluses of \$36 million in FY 2024-25 and \$154 million in FY 2025-26.

For FY 2023-24, a 1% change in CRV-in would result in a corresponding change to the BCRF balance of approximately \$15.3 million per year. Alternatively, a 1% change in CRV-out would result in a corresponding change to the BCRF balance of approximately \$10.7 million per year.

The overall recycling rate for FY 2023-24 was 71% as shown in Table 5a.

CalRecycle welcomes your feedback. Please send questions and comments to [opa@calrecycle.ca.gov](mailto:opa@calrecycle.ca.gov) or contact the Office of Public Affairs at (916) 341-6300.

# I. Fund Condition Statement

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Pursuant to Public Resources Code (PRC) Section 14556(a)(1), this section provides an updated BCRF condition statement, which includes revenues, transfers, and expenditures into and out of the BCRF. The primary revenues and expenditures from the BCRF, the BCRP's primary financial account, are CRV-in (first paid by beverage distributors when selling beverages within the state and then charged to consumers when beverages are purchased) and CRV-out (refunds paid for the return of beverage containers). The BCRF condition statements in this Report include accrued revenues (i.e., revenues recognized before cash is received) and accrued expenses (i.e., expenses recognized before cash is paid out) at the end of each fiscal year.

Table 1a presents the revenues, transfers, and total resources for FY 2023-24 actuals and projections for FY 2024-25, and FY 2025-26 projections.

Table 1b presents the expenditures and BCRF balance for FY 2023-24 actuals and projections for FY 2024-25 and FY 2025-26. For more information on the BCRF fund condition statements for the processing fee and penalty accounts, see Appendix I.

Pursuant to PRC Section 14556(a)(7), the total grants awarded during the 2023-24 fiscal year was \$21,085,000.

**Table 1a: BCRF (0133) Condition Statement Governor’s Proposed Budget (January 10, 2025)  
Revenues, Transfers, and Total Resources**

Category	Description	FY 2023-24 Actual	FY 2024-25 Projected	FY 2025-26 Projected
<b>Resources</b>	<b>Beginning Fund Balance</b>	<b>\$830,415,000</b>	<b>\$889,081,698</b>	<b>\$455,828,510</b>
Resources	Prior Year Adjustment	-\$2,012,513	\$0	\$0
<b>Resources</b>	<b>Adjusted Beginning Fund Balance</b>	<b>\$828,402,487</b>	<b>\$889,081,698</b>	<b>\$455,828,510</b>
Revenue - 4120000	Beverage Container Redemption Fees (CRV-in)	\$1,535,542,551	\$1,548,103,148	\$1,577,716,510
Revenue - 4150500	Interest Income - Interfund Loans	\$1,636,647	\$0	\$0
Revenue - 4163000	Income from Surplus Money Investments	\$27,222,023	\$2,814,000	\$3,022,000
Revenue - 4171400	Escheat of Unclaimed Checks and Warrants	\$417,321	\$294,000	\$294,000
Revenue - 4172500	Option B Payments	\$12,209,558	\$13,354,000	\$14,675,000
Revenue - 417300	Penalty Assessments	\$490,005	\$490,005	\$490,005
<b>Revenue</b>	<b>Total Revenue</b>	<b>\$1,577,518,105</b>	<b>\$1,565,055,153</b>	<b>\$1,596,197,515</b>
Transfers	To Glass Processing Fee Account (Fund 0269), Processing Fee Offset	-\$64,171,167	-\$90,334,867	-\$91,654,502
Transfers	To Plastic Processing Fee Account (Fund 0278), Processing Fee Offset	-\$86,657,099	-\$97,319,691	-\$98,773,296
<b>Transfers</b>	<b>Total Transfers</b>	<b>-\$150,828,266</b>	<b>-\$187,654,558</b>	<b>-\$190,427,798</b>
Loans	Loan from the BCRF (0133) to the Hazardous Waste Control Account (Fund 0014)	-\$40,000,000	\$0	\$0
Loans	Loan From 0133 to the California Circular Economy Fund (Fund 3408) <sup>1</sup> .	-\$21,463,000	-\$9,400,000	\$0
Loans	Loan from 0133 to Textile Recovery - SB 707	\$0	\$0	-\$1,629,000
<b>Loans</b>	<b>Total Loans</b>	<b>-\$61,463,000</b>	<b>-\$9,400,000</b>	<b>-\$1,629,000</b>
<b>Revenues, Transfers &amp; Loans</b>	<b>Totals, Revenues, Transfers &amp; Loans</b>	<b>\$1,365,226,839</b>	<b>\$1,368,000,595</b>	<b>\$1,404,140,717</b>
<b>Resources</b>	<b>Total Resources</b>	<b>\$2,193,629,326</b>	<b>\$2,257,082,293</b>	<b>\$1,859,969,227</b>

**Table 1b: BCRF 0133 Expenditures & Fund Balance**

<b>Category</b>	<b>Description</b>	<b>FY 2023-24 Actual</b>	<b>FY 2024-25 Projected</b>	<b>FY 2025-26 Projected</b>
Expenditures – (3970-001-0133)	BCRP Administration	\$66,950,000	\$89,579,000	\$75,581,000
Expenditures – (3970-592-0133)	EO 22/23-208 5% Admin from 101-0133	\$8,703,000	\$0	\$0
Expenditures – (3970-601-0133)	Handling Fees	\$72,045,000	\$77,352,243	\$87,939,952
Expenditures – (3970-603-0133)	CRV-out	\$1,073,193,000	\$1,110,613,375	\$1,139,865,122
Expenditures – (3970-604-0133)	Curbside Supplemental Payments	\$15,079,000	\$15,000,000	\$15,000,000
Expenditures – (3970-606-0133)	Grants - Local Conservation Corps	\$12,892,000	\$13,896,081	\$14,676,275
Expenditures – (3970-608-0133)	City/County Payments	\$9,104,000	\$10,500,000	\$10,500,000
Expenditures – (3970-609-0133)	Grants - Other	\$1,774,000	\$1,500,000	\$1,500,000
Expenditures – (3970-610-0133)	Public Education and Information	-\$1,038,000	\$27,960,000	\$2,500,000
Expenditures – (3970-611-0133)	Quality Incentive Payment	\$2,979,000	\$44,352,000	\$15,000,000
Expenditures – (3970-612-0133)	Glass Transportation, Operations, and Logistics Payment <sup>2</sup>	\$676,000	\$1,443,084	\$1,509,460
Expenditures – (3970-101-0133)	Pilot Project Grants	\$4,500,000	\$0	\$0
Expenditures – (3970-101-0133-2022)	Consumer Recycling Credits and Market Incentives <sup>3</sup>	\$0	\$179,781,000	\$0
Expenditures – (3970-101-0133-2022) (5)	Workforce Development	\$3,885,000	\$0	\$0
Expenditures – (3970-101-0133-2022) (7)	Reusable Container-Return System	\$0	\$0	\$23,750,000
Expenditures – (3970-101-0133-2023)	SB 101 Budget Act Appropriation <sup>4</sup>	\$12,200,000	\$28,300,000	\$0
Expenditures – (3970-101-0133-2023) (4)	San Francisco Bottle Bank	\$500,000	\$0	\$0
Expenditures – (3970-101-0133-2024)	AB 107 Budget Act Appropriation <sup>5</sup>	\$0	\$76,333,000	\$0
Expenditures – (3970-603-0133-2022)	Recycled Glass Processing Incentive Grants <sup>6</sup>	\$0	\$4,000,000	\$4,000,000

Expenditures – (3970-604-0133-2022)	Recycling of Empty Glass Beverage Container Grants <sup>7</sup>	\$0	\$4,000,000	\$4,000,000
Expenditures – (3970-605-0133-2022)	Empty Glass Beverage Transportation Grants <sup>8</sup>	\$0	\$1,000,000	\$1,000,000
Expenditures – (3970-601-0133-2022)	Local Conservation Corps <sup>9</sup>	\$10,000,000	\$0	\$0
Expenditures – (3970-602-0133-2022)	Glass Market Development Payments <sup>10</sup>	\$8,827,000	\$111,173,000	\$50,505,000
Expenditures	0555 - Environmental Protection Agency	\$0	\$0	\$12,000
Expenditures	Assessment for Statewide General Administrative Expenditures (Pro Rata)	\$1,183,628	\$3,611,000	\$6,012,000
Expenditures	Assessment for Supplemental Pension Payments	\$1,095,000	\$862,000	\$862,000
<b>Expenditures</b>	<b>Total Expenditures</b>	<b>\$1,304,547,628</b>	<b>\$1,801,255,783</b>	<b>\$1,430,462,809</b>
<b>Resources</b>	<b>Total Resources</b>	<b>\$2,193,629,326</b>	<b>\$2,257,082,293</b>	<b>\$1,859,969,2277</b>
<b>Resources</b>	<b>Ending Fund Balance</b>	<b>\$889,081,698</b>	<b>\$455,826,510</b>	<b>\$429,506,418</b>

## **II. Adequate Funds Determination**

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In accordance with PRC Section 14556(c), this section explains whether there are adequate funds to make all BCRP payments. If there are insufficient funds, CalRecycle shall proportionally reduce specified payments to ensure it is able to provide consumers with CRV refunds and continue to operate the BCRP.<sup>11</sup>

Based on the information presented in this Report, CalRecycle projects that the BCRF should have adequate resources to support all mandated payments through FY 2025-26.

### ***Structural Deficit and Surplus***

BCRP operations are funded by unclaimed CRV within the BCRF balance. As the recycling rate increases, more CRV is paid out of the BCRF and less funding is available to make the budgeted payments prescribed in statute, including CRV-out, BCRP administration, local conservation corps grants, and other payments and transfers outlined in PRC Section 14581. A structural deficit occurs when expenditures exceed revenues in the same period. Alternatively, as the recycling rate decreases, expenditures decrease (due to a reduction of CRV-out), and/or revenues increase (due to an increase of CRV-in), the structural deficit will shrink and lead to a structural surplus. Information on projected sales, returns, and payments can be found in Sections III and IV.

#### **1. Fiscal Year 2023-24 Structural Surplus**

As outlined in Table 3, the Fund had a structural surplus of \$272 million for FY 2023-24.

#### **2. Fiscal Year 2024-25 Projected Structural Surplus**

As outlined in Table 3, CalRecycle projects a structural surplus of \$36 million for FY 2024-25.

#### **3. Fiscal Year 2025-26 Projected Structural Surplus**

As outlined in Table 3, CalRecycle projects a structural surplus of \$154 million for FY 2025-26.

**Table 3: BCRF 0133: Structural Deficit / Surplus**

Category	Description	FY 2023/24	FY 2024/25	FY 2025/26
Revenue – 4120000	CRV-in	\$1,535,543,000	\$1,548,103,000	\$1,577,717,000
Expenditures – (3970-603-0133)	CRV-out	-\$1,073,193,000	-\$1,110,613,000	-\$1,139,865,000
Expenditures – (3970-001-0133)	Program Administration	-\$66,950,000	-\$66,060,000	-\$66,086,000
Expenditures – (592-0133-2022)	EO 22-XX 5% Admin from 101-0133	\$8,703,000	\$0	\$0
<b>Resources</b>	<b>Total Available for 14581 Programs</b>	<b>\$404,103,000</b>	<b>\$371,430,000</b>	<b>\$371,766,000</b>
Expenditures – (3970-601-0133)	Handling Fees	-\$72,045,000	-\$77,352,243	-\$87,939,952
Expenditures – (3970-604-0133)	Curbside Supplemental Payments	-\$15,079,000	-\$15,000,000	-\$15,000,000
Expenditures – (3970-606-0133)	Grants - Local	-\$12,892,000	-\$13,896,081	-\$14,676,275
Expenditures – (3970-608-0133)	City/County Payments	-\$9,104,000	-\$10,500,000	-\$10,500,000
Expenditures – (3970-609-0133)	Grants - Other	-\$1,774,000	-\$1,500,000	-\$1,500,000
Expenditures – (3970-610-0133)	Public Education and Information	\$1,038,000	-\$2,500,000	-\$2,500,000
Expenditures – (3970-611-0133)	Quality Incentive Payment	-\$2,979,000	-\$15,000,000	-\$15,000,000
Expenditures – (3970-612-0133)	Glass Transportation, Operations, and Log Payment	-\$676,000	-\$1,443,084	-\$1,509,460
Expenditures – (3970-603-0133-2022)	Recycled Glass Processing Incentive Grants	-\$0	\$-4,000,000	\$-4,000,000
Expenditures – (3970-604-0133-2022)	Recycling of Empty Glass Beverage Container Grants	\$0	-\$4,000,000	-\$4,000,000
Expenditures – (3970-605-0133-2022)	Empty Glass Beverage Transportation Grants	\$0	-\$1,000,000	-\$1,000,000
Expenditures – (3970-601-0133-2022)	Local Conservation Corps	-\$10,000,000	\$0	\$0
Expenditures – (3970-602-0133-2022)	Glass Market Development Payments	-\$8,827,000	-\$111,173,000	-\$50,505,000
<b>Resources</b>	<b>Total 14581 Programs</b>	<b>-\$132,338,000</b>	<b>-\$312,176,408</b>	<b>-\$208,130,687</b>
<b>Resources</b>	<b>Total Structural Deficit / Surplus</b>	<b>\$271,765,000</b>	<b>\$35,734,592</b>	<b>\$154,140,313</b>

### III. Sales, Returns and Recycling Rates

In accordance with PRC Section 14556(a)(2) <sup>12</sup>(4)<sup>13</sup>, this section provides the projected sales and returns by material type for FY 2023-24, FY 2024-25, and FY 2025-26. The counts for containers sold are derived from reports that beverage distributors send directly to CalRecycle. In contrast, the counts for recycled containers are calculated from the redemption weight reported on shipping reports, multiplied by the current container-per-pound rate. The container-per-pound rate is regularly adjusted to reflect changes in the mix of beverage containers returned for recycling in the state. Table 5a shows the actual sales, returns, and recycling rates (the overall rate for all beverage container material types combined was 71%) for FY 2023-24. Table 5b shows the projected sales, returns, and recycling rates (the overall rate for all beverage container material types combined is projected to be 71%) for FY 2024-25. Table 5c shows the projected sales, returns, and recycling rates (the overall rate for all beverage container material types combined is projected to be 69%) for FY 2025-26.

**Table 5a: FY 2023-24 Actual: Sales, Returns, and Recycling Rates**

Material Type	Containers Sold < 24oz	Containers Sold ≥ 24 ounces	Total Containers Sold	Containers Returned	Recycling Rate
Aluminum	9,814,324,323	648,794,929	10,463,119,252	7,692,924,940	74%
Glass	2,472,024,194	436,214,374	2,908,238,568	1,795,214,108	62%
PET	12,401,427,868	1,395,618,925	13,797,046,793	9,927,685,258	72%
HDPE	88,853,113	87,736,006	176,589,119	100,011,758	57%
Plastics #3-#7 & Bimetal	304,574,308	20,568,125	325,142,433	52,566,642	16%
Boxes, Bladders, Pouches	N/A	N/A	19,496,815	150,271	0.8%
<b>Overall</b>	<b>25,081,203,806</b>	<b>2,588,932,359</b>	<b>27,689,632,980</b>	<b>19,568,552,977</b>	<b>71%</b>

**5b: FY 2024-25 Projected: Sales, Returns, and Recycling Rates**

Material Type	Containers Sold < 24oz	Containers Sold ≥ 24 ounces	Total Containers Sold	Containers Returned	Recycling Rate
Aluminum	10,045,907,461	652,606,306	10,698,513,767	7,624,544,705	71%
Glass	2,460,891,202	469,566,975	2,930,458,177	2,034,248,625	69%
PET	12,961,049,762	1,450,239,541	14,411,289,303	10,443,751,802	72%
HDPE	82,097,462	96,725,238	178,822,700	98,212,921	55%
Plastics #3-#7 & Bimetal	290,992,941	18,644,160	309,637,101	59,947,242	19%
Boxes, Bladders, Pouches	N/A	N/A	43,412,636	926,532	2%
<b>Overall</b>	<b>25,840,938,828</b>	<b>2,687,782,220</b>	<b>28,572,133,685</b>	<b>20,261,631,828</b>	<b>71%</b>

**5c: FY 2025-26 Projected: Sales, Returns, and Recycling Rates**

<b>Material Type</b>	<b>Containers Sold &lt; 24oz</b>	<b>Containers Sold ≥ 24 ounces</b>	<b>Total Containers Sold</b>	<b>Containers Returned</b>	<b>Recycling Rate</b>
Aluminum	10,243,611,948	657,572,923	10,901,184,870	7,588,097,224	70%
Glass	2,459,376,958	424,972,870	2,884,349,828	2,055,790,521	71%
PET	13,383,498,496	1,465,688,303	14,849,186,799	10,425,984,103	70%
HDPE	85,593,191	85,105,596	170,698,787	96,925,876	57%
Plastics #3-#7 & Bimetal	334,606,731	19,321,464	353,928,195	63,223,159	18%
Boxes, Bladders, Pouches	N/A	N/A	44,568,670	1,210,853	3%
<b>Overall</b>	<b>26,506,687,324</b>	<b>2,652,661,156</b>	<b>29,203,917,149</b>	<b>20,231,231,736</b>	<b>69%</b>

## IV. Projected Payments

Pursuant to PRC Section 14556(a)(5)<sup>14</sup>(6)<sup>15</sup> et seq., the sections below provide information for handling fee payments and processing payments for FY 2023-24 through FY 2025-26.

### A. Projected Handling Fee Payments

This section includes handling fee payments, the fee per container, and the number of beverage containers projected to be eligible for a handling fee payment. The total annual amount of handling fees authorized fluctuates annually based on the per-container handling fee rate and the total number of containers returned at eligible recycling centers.

The actual handling fee per-container rates established for FY 2023-24 and FY 2024-25 and the projected handling fee per-container rate for FY 2025-26 are based on SB 156 (Committee on Budget and Fiscal Review, Chapter 72, Budget Bill of 2024). The handling fee per container includes the cost-of-living adjustment.<sup>16</sup>

**Table 8: Handling Fees Payments, Rates, Containers, and Projections**

Handling Fees	FY 2023-24 Actual	FY 2024-25 Projected	FY 2025-26 Projected
Handling Fee Payments	\$71,523,137	\$77,352,243	\$87,939,952
Handling Fee per Container	\$0.01092	\$0.01158	\$0.01290
<b>Estimated Number of Containers</b>	<b>6,549,737,800</b>	<b>6,679,813,769</b>	<b>6,817,050,554</b>

### B. Projected Processing Payments

This section includes actual and projected processing fee offsets, processing fees, and processing payments by beverage container material type.<sup>17</sup> Amounts for the calendar year (CY) 2023 portion of FY 2023-24 are based on costs of recycling measured for CY 2020. Amounts for the CY 2024 portion of FY 2023-24, FY 2024-25, and FY 2025-26 are based on costs of recycling measured for CY 2022. All amounts are based on a reasonable financial return of 10%.

**Table 9: Processing Fees, Processing Payments, and Processing Fee Offsets by Material Type, Projections**

Fiscal Year	Material Type	Processing Fees	Processing Fee Offsets	Processing Payments
<b>FY 2023-24 Actual</b>	Glass	\$14,996,364	\$64,171,167	\$81,701,386
<b>FY 2023-24 Actual</b>	PET	\$9,229,443	\$82,860,148	\$88,684,266
<b>FY 2023-24 Actual</b>	HDPE	\$1,543,035	\$4,018,523	\$6,035,866
<b>FY 2023-24 Actual</b>	Plastics #3-#7 & Bimetal*	\$9,057,526	-\$221,572	\$1,666,523
<b>FY 2023-24 Actual</b>	Boxes, Bladders, Pouches†	\$59,567	\$0	\$12,018
<b>FY 2023-24 Actual</b>	<b>Total</b>	<b>\$34,885,934</b>	<b>\$150,828,266</b>	<b>\$178,100,059</b>
<b>FY 2024-25 Projected</b>	Glass	\$16,713,714	\$90,334,867	\$109,195,445
<b>FY 2024-25 Projected</b>	PET plastic	\$15,433,785	\$93,724,494	\$115,756,898
<b>FY 2024-25 Projected</b>	HDPE plastic	\$1,295,453	\$3,642,745	\$5,336,572
<b>FY 2024-25 Projected</b>	Plastics #3-#7 & Bimetal	\$10,946,984	\$0	\$1,350,925
<b>FY 2024-25 Projected</b>	Boxes, Bladders, Pouches†	\$315,455	-\$47,548	\$50,301
<b>FY 2024-25 Projected</b>	<b>Total</b>	<b>\$44,705,392</b>	<b>\$187,654,558</b>	<b>\$231,690,141</b>
<b>FY 2025-26 Projected</b>	Glass	\$16,267,733	\$91,654,502	\$109,265,266
<b>FY 2025-26 Projected</b>	PET plastic	\$15,443,154	\$95,107,261	\$112,550,415
<b>FY 2025-26 Projected</b>	HDPE plastic	\$1,285,362	\$3,931,189	\$5,216,551
<b>FY 2025-26 Projected</b>	Plastics #3-#7 & Bimetal	\$10,883,908	\$0	\$1,341,772
<b>FY 2025-26 Projected</b>	Boxes, Bladders, Pouches†	\$2,667,365	-\$265,154	\$133,729
<b>FY 2024-25 Projected</b>	<b>Total</b>	<b>\$46,547,523</b>	<b>\$190,427,798</b>	<b>\$228,507,733</b>

\*Processing Fee Offset applies to Plastic #5 during CY 2023

†Processing Fee and Payment rates based on HDPE for CYs 2024 and 2025

The sum of the processing fees and processing fee offsets do not equal processing payments due to multiple factors:

- Beverage manufacturers receive \$2 million in discounts (direct reductions of manufacturers' processing fee liabilities taken from the processing fee accounts) for glass and polyethylene terephthalate (PET) plastic processing fees.
- Processing fees for Bimetal and All Other Plastics (Plastics #3 – #7) are greater than processing payments due to low recycling rates.
- Quarterly transfers from the Fund to the processing fee accounts (processing fee offsets) are based on estimates of fees and payments for the upcoming calendar year.
- Processing payments may fluctuate due to quarterly changes in scrap value.

# V. Significant Changes

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Pursuant to PRC Section 14556 (a) and (c), this section details changes to the methodology used for forecasting the BCRF condition statement and any other significant changes to the BCRF condition statement from the previous Report.

With the passage of new legislation, the BCRP has seen significant changes beginning in 2022. The Department has modified its forecasting methodology to account for the financial impacts to the program associated with the changes including the addition and expansion of beverage containers to the program. The significant changes to the program are as follows:

Assembly Bill (AB) 179 (Ting, Chapter 249, Budget Act of 2022):

- Provided \$223.3 million for recycling programs and infrastructure; \$10 million for plastic market development payments; and loans of \$11.2 million to Circular Economy Fund.

Senate Bill (SB) 1013 (Atkins, Chapter 610, Statutes of 2022):

- Added wine and distilled spirits into the California Beverage Container Recycling Program, effective January 1, 2024, increasing revenue to the BCRF. (Public Resources Code Section 14504).
- Authorized the Department to make quality incentive payments for color-sorted glass beverage containers that are used in the manufacturing of glass beverage containers in the state. The Department may expend up to \$15 million annually on payments that shall not exceed \$50 per ton. (Public Resources Code Section 14549.1 (c)(1) and Section 14581(a)(7))
- Authorized the Department, beginning January 2023, to issue glass market development (GMD) payments not to exceed \$50 per ton (Public Resources Code Section 14549.7) to a glass beverage container manufacturer who purchases recycled glass collected within the state for use in manufacturing of new beverage containers in the state. The Department may expend up to \$60 million annually for payments until December 31, 2027 (Public Resources Code Section 14581 (a)(13)).
- Created Dealer Cooperatives, which allow a nonprofit organization in an unserved convenience zone to implement a redemption plan to provide consumer convenience and receive CRV reimbursement and other program payments; also eliminates Dealers from paying a \$100-per-day fee in lieu of redeeming beverage containers.
- Established new grant programs, including a one-time appropriation to the Local Conservation Corps, and continuous appropriations of \$9 million to support glass collection and recycling.

SB 101 (Skinner, Chapter 12, Budget Act of 2023)

- Redirected \$40 million from AB 179 (Ting, Chapter 249, Budget Act of 2022) for plastic market development payments through June 30, 2027. SB 211 (Chapter 574, Statutes of 2022) allows the Department to expend the funds appropriated for the plastic market development payments until June 30, 2026. (Public Resources Code Section 14581 (a)(8)(A)).

SB 353 (Dodd, Chapter 868, Statutes of 2023)

- Added all fruit and vegetable juice, regardless of size, to the Beverage Container Recycling Program as of January 1, 2024, increasing revenue to the BCRF. (Public Resources Code Section 14504).
- Established the transportation, operations, and logistics payment of \$60 per ton for the handling of glass beverage containers returned to a recycling center in a rural region, as defined by Public

Resources Code Section 14525.5.1, or rural county, as defined by Public Resources Code Section 40184. (Public Resources Code 14573.1).

- Amended the process of how the quarterly adjustment to the processing payment is determined by allowing the Department to adjust using the preceding 3-month or 12-month average scrap value, whichever is lower. (Public Resources Code Section 14575(f)).
- Amended Public Resources Code Section 14575(k) stipulating that the processing fee and processing payment for wine or distilled spirits contained in a beverage container that is a box, bladder, pouch, or similar container be equal to the processing fee and processing payment for HDPE beverage containers until January 1, 2026. (Public Resources Code Section 14575(k)).

# Appendix I. Updated Fund Conditions

## Processing Fee and Penalty Accounts

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This section contains the fund condition statements for the Processing Fee and Penalty accounts covering FYs 2023-24 through 2025-26. The values are based on the FY 2025-26 Governor's Budget except for updated values derived from subsequent forecasts.

Below is a brief description of each account:

**Glass Processing Fee Account, Fund 0269** —This account serves as a depository for glass processing fees paid by beverage manufacturers who package products in glass bottles. This account is the source for paying processing payments to certified recyclers for handling empty glass beverage containers.

**Plastic Processing Fee Account, Fund 0278** —This account serves as a depository for plastic processing fees paid by beverage manufacturers who package products in any type of plastic bottle with a scrap value less than the cost of recycling. This account is the source for paying processing payments to certified recyclers for handling empty plastic beverage containers.

**Bimetal Processing Fee Account, Fund 0277**—This account serves as a depository for bimetal processing fees paid by beverage manufacturers who package products in bimetal cans. This account is the source for paying processing payments to certified recyclers for handling empty bimetal beverage containers.

**Penalty Account, Fund 0276** —This account serves as a depository for civil penalties and fines. The purpose of this account is to assist in carrying out the activities specified in the Beverage Container Recycling and Litter Reduction Act, as specified in PRC Section 14580(d).

**Table 10: Governor’s Proposed Budget (January 10, 2025) — Glass Processing Fee Fund Condition Statement (Fund 0269)**

Category	Description	FY 2023-24 Actual	FY 2024-25 Projected	FY 2025-26 Projected
<b>Resources</b>	<b>Beginning Fund Balance</b>	<b>\$20,349,000</b>	<b>\$6,158,000</b>	<b>\$7,223,000</b>
Resources	Prior Year Adjustment	\$0	\$0	\$0
<b>Resources</b>	<b>Adjusted Beginning Fund Balance</b>	<b>\$20,349,000</b>	<b>\$6,158,000</b>	<b>\$7,223,000</b>
Revenue - 4120000	Beverage Container Redemption Fees	\$15,569,000	\$18,115,000	\$18,115,000
Revenue - 4163000	Income from Surplus Money Investments	\$57,000	\$57,000	\$57,000
Revenue - 4171400	Escheat of Unclaimed Checks, Warrants, Bonds and Coupon	\$0	\$0	\$0
<b>Revenue</b>	<b>Total Revenue</b>	<b>\$15,626,000</b>	<b>\$18,172,000</b>	<b>\$18,172,000</b>
Transfers	From BCRF	\$64,171,000	\$90,335,000	\$91,654,000
<b>Transfers</b>	<b>Total Transfers</b>	<b>\$64,171,000</b>	<b>\$90,335,000</b>	<b>\$91,654,000</b>
<b>Revenues and Transfers</b>	<b>Totals, Revenues and Transfers</b>	<b>\$79,797,000</b>	<b>\$108,335,000</b>	<b>\$109,826,000</b>
<b>Resources</b>	<b>Total Resources</b>	<b>\$100,146,000</b>	<b>\$114,665,000</b>	<b>\$117,049,000</b>
Expenditures - (3970-601-0269)	Processing Payments	\$93,988,000	\$107,442,000	\$107,442,000
Expenditures	Assessment for Statewide General Administrative Expenditures (Pro Rata)	\$0	\$0	\$0
<b>Expenditures</b>	<b>Total Expenditures</b>	<b>\$93,988,000</b>	<b>\$107,442,000</b>	<b>\$107,442,000</b>
<b>Resources</b>	<b>Ending Fund Balance</b>	<b>\$6,158,000</b>	<b>\$7,223,000</b>	<b>\$9,607,000</b>

**Table 11: Governor’s Proposed Budget (January 10, 2025) — Plastic Processing Fee Fund Condition Statement (Fund 0278)**

Category	Description	FY 2023-24 Actual	FY 2024-25 Projected	FY 2025-26 Projected
<b>Resources</b>	<b>Beginning Fund Balance</b>	<b>\$31,657,000</b>	<b>\$75,799,000</b>	<b>\$130,497,000</b>
Resources	Prior Year Adjustment	\$0	\$0	\$0
<b>Resources</b>	<b>Adjusted Beginning Fund Balance</b>	<b>\$31,657,000</b>	<b>\$75,799,000</b>	<b>\$130,497,000</b>
Revenue - 4120000	Beverage Container Redemption Fees	\$15,586,000	\$15,672,000	\$15,672,000
Revenue - 4171400	Escheat of Unclaimed Checks and Warrants	\$0	\$0	\$0
Revenue - 4163000	Income from Surplus Money Investments	\$76,000	\$76,000	\$76,000
<b>Revenue</b>	<b>Total Revenue</b>	<b>\$15,662,000</b>	<b>\$15,748,000</b>	<b>\$28,756,000</b>
Transfers	From CA Beverage Container Fund (CBCRF)	\$86,657,000	\$97,320,000	\$98,773,000
<b>Transfers</b>	<b>Total Transfers</b>	<b>\$86,657,000</b>	<b>\$97,320,000</b>	<b>\$98,773,000</b>
<b>Revenues and Transfers</b>	<b>Totals, Revenues and Transfers</b>	<b>\$102,319,000</b>	<b>\$113,068,000</b>	<b>\$114,521,000</b>
<b>Resources</b>	<b>Total Resources</b>	<b>\$133,976,000</b>	<b>\$188,867,000</b>	<b>\$245,018,000</b>
Expenditures - (3970-601-0278)	Processing Payments	\$58,177,000	\$58,370,000	\$58,370,000
Expenditures	Assessment for Financial Information System for California (Fi\$Cal)	\$0	\$0	\$0
<b>Expenditures</b>	<b>Total Expenditures</b>	<b>\$58,177,000</b>	<b>\$58,370,000</b>	<b>\$58,370,000</b>
<b>Resources</b>	<b>Ending Fund Balance</b>	<b>\$75,799,000</b>	<b>\$130,497,000</b>	<b>\$186,648,000</b>

**Table 12: Governor’s Proposed Budget (January 10, 2025) — Bimetal Processing Fee Fund Condition Statement (Fund 0277)**

<b>Category</b>	<b>Description</b>	<b>FY 2023-24 Actual</b>	<b>FY 2024-25 Projected</b>	<b>FY 2025-26 Projected</b>
<b>Resources</b>	<b>Beginning Fund Balance</b>	<b>\$37,706,000</b>	<b>\$40,449,000</b>	<b>\$43,192,000</b>
Resources	Prior Year Adjustment	\$0	\$0	\$0
<b>Resources</b>	<b>Adjusted Beginning Fund Balance</b>	<b>\$37,707,000</b>	<b>\$40,449,000</b>	<b>\$43,192,000</b>
Revenue - 4120000	Beverage Container Redemption Fees	\$3,108,000	\$3,108,000	\$3,108,000
Revenue - 4163000	Income from Surplus Money Investments	\$68,000	\$68,000	\$68,000
<b>Revenue</b>	<b>Total Revenue</b>	<b>\$3,176,000</b>	<b>\$3,176,000</b>	<b>\$3,176,000</b>
<b>Revenues and Transfers</b>	<b>Totals, Revenues and Transfers</b>	<b>\$3,176,000</b>	<b>\$3,176,000</b>	<b>\$3,176,000</b>
<b>Resources</b>	<b>Total Resources</b>	<b>\$40,882,000</b>	<b>\$43,625,000</b>	<b>\$46,368,370</b>
Expenditures - (3970-601-0277)	Processing Payments	\$433,000	\$433,000	\$433,000
<b>Expenditures</b>	<b>Total Expenditures</b>	<b>\$433,000</b>	<b>\$433,000</b>	<b>\$433,000</b>
<b>Resources</b>	<b>Ending Fund Balance</b>	<b>\$40,449,000</b>	<b>\$43,192,000</b>	<b>\$45,935,000</b>

**Table 13: Governor’s Proposed Budget (January 10, 2025) — Penalty Account Fund Condition Statement (Fund 0276)**

Category	Description	FY 2023-24 Actual	FY 2024-25 Projected	FY 2025-26 Projected
<b>Resources</b>	<b>Beginning Fund Balance</b>	<b>\$3,026,000</b>	<b>\$3,185,000</b>	<b>\$3,348,000</b>
Resources	Prior Year Adjustment	\$0	\$0	\$0
<b>Resources</b>	<b>Adjusted Beginning Fund Balance</b>	<b>\$3,026,000</b>	<b>\$3,185,000</b>	<b>\$3,348,000</b>
Revenue - 4163000	Income from Surplus Money Investments	\$4,000	\$4,000	\$4,000
Revenue - 4171400	Escheat of Unclaimed Checks and Warrants	\$0	\$0	\$0
Revenue - 4173000	Penalty Assessments	\$170,000	\$170,000	\$170,000
<b>Revenue</b>	<b>Total Revenue</b>	<b>\$174,000</b>	<b>\$174,000</b>	<b>\$174,000</b>
<b>Revenues and Transfers</b>	<b>Totals, Revenues and Transfers</b>	<b>\$174,000</b>	<b>\$174,000</b>	<b>\$174,000</b>
<b>Resources</b>	<b>Total Resources</b>	<b>\$3,200,000</b>	<b>\$3,359,000</b>	<b>\$3,522,000</b>
Expenditures	Assessment for Supplemental Pension Payments	\$15,000	\$11,000	\$11,000
<b>Expenditures</b>	<b>Total Expenditures</b>	<b>\$15,000</b>	<b>\$11,000</b>	<b>\$11,000</b>
<b>Resources</b>	<b>Ending Fund Balance</b>	<b>\$3,185,000</b>	<b>\$3,348,000</b>	<b>\$3,511,000</b>

# Appendix II. Public Resources Code (PRC) References

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**California Beverage Container Recycling Fund:** PRC Section 14581 (a)

**Glass Processing Fee Account:** PRC Section 14581 (a)(5)(A)

**Plastic Processing Fee Account:** PRC Section 14581 (a)(5)(A)

**Handling Fees:** PRC Section 14581 (a)(1)

**CRV-out:** PRC Section 14580

**Curbside Supplemental Payments:** PRC Section 14581 (a)(2)

**Plastic Market Development Payments:** PRC Section 14581 (a)(8)(A)

**Grants - Local Conservation Corps (CCCs):** PRC Section 14581.1

**City/County Payments:** PRC Section 14581 (a)(3)(A)

**Grants - Other:** PRC Section 14581 (a)(4)

**Public Education and Information:** PRC Section 14581 (a)(6)

**Quality Incentive Payment:** PRC Section 14581 (a)(7)

**Pilot Project Grants:** PRC Section 14581 (a)(9)(A)

# Appendix III. Endnotes

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- <sup>1</sup> SB 54 (Allen, Chapter 75, Statutes of 2022) Solid waste: reporting, packaging, and plastic food service ware
- <sup>2</sup> SB 353 (Dodd, Chapter 868, Statutes of 2023) Beverage containers: recycling
- <sup>3</sup> AB 179 (Ting, Chapter 249, Budget Act of 2022): Consumer Recycling Credits and Market Incentives; Quality Incentive Payment – Glass; Workforce Development; Reusable Container-Return System;
- <sup>4</sup> SB 101 (Skinner, Chapter 12, Budget Act of 2023): San Francisco Bottle Bank
- <sup>5</sup> AB 107 (Gabriel, Chapter 22, Budget Act of 2024)
- <sup>6</sup> SB 1013 (Atkins, Chapter 610, Statutes of 2022) Recycled Glass Processing Incentive Grants
- <sup>7</sup> SB 1013 (Atkins, Chapter 610, Statutes of 2022) Recycling of Empty Glass Beverage Container Grants
- <sup>8</sup> SB 1013 (Atkins, Chapter 610, Statutes of 2022) Empty Glass Beverage Transportation Grants
- <sup>9</sup> SB 1013 (Atkins, Chapter 610, Statutes of 2022) Local Conservation Corps
- <sup>10</sup> SB 1013 (Atkins, Chapter 610, Statutes of 2022) Glass Market Development Payments
- <sup>11</sup> PRC Section 14581(c) “If the department determines that there are insufficient funds to make the payments specified pursuant to this section and Section 14575, the department shall reduce all payments proportionally”
- <sup>12</sup> Statute requires this Report to include a recycling rate inferred from revenues, which is calculated by dividing CRV-out by CRV-in. The recycling rates displayed in CalRecycle’s Biannual Report of Beverage Container Sales, Returns, Redemption, and Recycling Rates (Biannual Report) are based on formulas stipulated in PRC Section 14551 used to calculate the percentage of containers recycled.
- <sup>13</sup> Statute requires this Report to include projected sales, which include all actual data available since the last reporting period, and actual or projected returns, which include all actual data available since the last reporting period, by beverage container material type, including an explanation in any case where the actual returns are more than 100 percent of actual sales.
- <sup>14</sup> Statute requires this Report to include the projected handling fee payments, which include all actual data available since the last reporting period, the per beverage container handling fee amount, and the number of beverage containers projected to be eligible for a handling fee payment.
- <sup>15</sup> Statute requires this Report to include the projected processing payments, which include all actual data available since the last reporting period, by beverage container

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material type, showing the total processing fee offsets, processing fees, and processing payments for each type of beverage container material.

<sup>16</sup> Handling Fee changes and reports can be found on CalRecycle's website at: <https://www.calrecycle.ca.gov/BevContainer/Notices/#HandlingFees>

<sup>17</sup> Processing Payments are adjusted based on the cost of recycling and average scrap value for each beverage container material type. Processing Payment information is available on the CalRecycle website at: <https://www.calrecycle.ca.gov/BevContainer/Notices/#Processing>