December 2020

NOTICE To: All Handling Fee Eligible Recycling Centers

Subject: Handling Fee Claims

This notice is to remind handling fee eligible recycling center operators of requirements found in Public Resources Code (PRC) and code of regulations (CCR). Recycling center operators are expected to understand and abide by these requirements in claims for handling fees.

1. Claims for handling fees shall be filed with the department not later than the first day of the second month following the month for which the handling fee is claimed. For example, December 2020 claims must be submitted on or before February 1, 2021. **Late claims will not be paid. No exceptions will be made for operators who fail to provide a record of transaction from DORIIS, and where there is no documentation validating the transaction.** References: PRC Code Section 14585(a)(1), 14CCR Section 2530(h).

2. Handling fee claims must reflect the weight, to the nearest tenth of a pound, of empty beverage containers, by material type, redeemed by that recycling center, at that supermarket site, nonprofit convenience zone recycler, or rural region recycler, **only from consumers** delivering that material during the hours the recycling center was open for business. This weight shall be taken from the receipts and logs of that recycling center for that calendar month. Handling fees may not be claimed on non-consumer material which includes deliveries from a recycling center, dropoff or collection program, community service program or curbside program. Handling Fees may not be claimed on materials picked up off-site. Reference: 14CCR 2530(a), 2530(h)(6).

3. A recycling center shall meet all criteria for handling fee eligibility on the first day of the calendar month for which they are claimed. A recycling center must be: certified, operational, and accepting and paying refund value to consumers for all empty beverage container material types. Reference: 14CCR Section 2516(a).

4. All reports, notices, claims, forms and all applicable supporting data shall be accurate, complete, and typed in or legibly handwritten in English using permanent ink. Incorrectly completed forms will be denied for handling fee payment. References: PRC 14553(a), PRC 14553(b), 14CCR Section 2090(c), 14CCR Section 2530(h).
• Every supermarket site operator, nonprofit convenience zone recycler, or rural region recycler shall promptly notify the department of the closure of the dealer where the supermarket site, nonprofit convenience zone recycler, or rural region recycler is located. Handling fee eligibility ceases beginning with the month after the closure of the dealer. Reference: PRC 14585(5)(B), PRC 14585(5)(C).

• Handling Fees should never be assumed as indefinite, or an entitlement. Several things can terminate handling fee eligibility including: two recycling centers in a zone, deactivation of a zone, closure of the dealer, inadequate handling fee funding or proportional reduction. Accordingly, it is highly advisable for a recycling center operator to develop a business plan that does not make them solely reliant on handling fee payments. References: PRC 14585(c)(1), PRC 14585(5)(A), PRC 14581.

If you have questions about this notice, please contact the Convenience Zone Unit at (916) 322-2234 or email HFPaymentStatus@CalRecycle.ca.gov.