

FINAL STATEMENT OF REASONS 2021

TITLE 14: NATURAL RESOURCES
DIVISION 7. DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY
CHAPTER 8.2 ELECTRONIC WASTE RECOVERY AND RECYCLING
Articles/Sections: Article 1, Section 18660.5, Article 2.0, Section 18660.10; Article 2.2, Section 18660.21; Article 2.4, Section 18660.34.

UPDATE OF INITIAL STATEMENT OF REASONS (Government Code (GOV) Section 11346.9(a)(1))

No changes were made to the text of the regulations, or to the list of documents relied upon, or to the economic impact assessment, or to any other element of the Initial Statement of Reasons (ISOR), so the information contained in the ISOR requires no update.

LOCAL MANDATE DETERMINATION (GOV Section 11346.9(a)(2))

CalRecycle has determined that the regulations do not impose a mandate upon local agencies or school districts.

SUMMARY AND RESPONSE TO COMMENTS RECEIVED DURING THE 45-DAY WRITTEN COMMENT PERIOD OF SEPTEMBER 3, 2021, THROUGH OCTOBER 25, 2021.

CalRecycle did not receive any comments during the 45-day written comment period.

SUMMARY AND RESPONSE TO COMMENTS RECEIVED DURING THE PUBLIC HEARING ON OCTOBER 21, 2021(GOV Section 11346.9(a)(3)).

CalRecycle did not receive any comments during the Public Hearing.

REASONABLE ALTERNATIVES TO THE PROPOSED REGULATORY ACTION (GOV Section 11346.9(a)(4))

The below language is the same as in the Initial Statement of Reasons.

This section applies to each section below unless otherwise indicated:

Alternatives to the proposed rules have been considered. CalRecycle conducted targeted outreach in 2017 to recyclers that process non-CRT CEW to learn more about non-CRT operations. After drafting emergency regulations, CalRecycle solicited comments on the draft proposed regulatory text at a 2018 workshop. Stakeholders supported the proposed action and were looking forward to the actual determination of the payment rates.

CalRecycle considered three alternatives to the proposed rules: adding multiple rates for non-CRT CEW; having a per unit rate structure rather than a per pound rate structure; or continuing on with no changes (keep the single payment rate).

A per unit weight structure may work in the future as materials become lighter, but recyclers are still processing heavy legacy material. CalRecycle does not believe that it currently makes sense to pay the same recycling rate on a small non-CRT device such as a tablet and large, heavy devices such as plasma or CRT televisions. The latter devices can weigh over 100 pounds, take up more storage space and can require multiple employees or specialized equipment to unload them from trucks and to move them to storage areas and dismantling tables. They also produce greater volumes of hazardous residuals which adds additional disposal costs.

Having multiple rates for non-CRT devices would have added the burden of requiring recyclers to calculate the costs and revenues of additional non-CRT waste streams in the annual Net Cost Reports. This approach may have been effective, but it is not cost-effective and too burdensome on the recyclers. It should be noted that no stakeholder has supported this option at any of CalRecycle's previous workshops or public hearings.

Continuing with no changes would have negatively affected recyclers participating in the CEW Recycling Program. As stated in the Problem Statement, non-CRTs are more difficult to dismantle and require longer processing times than CRT devices. Non-CRTs also have less intrinsic material value than CRTs due to miniaturization (for e.g., the circuit boards are smaller and hence contain fewer precious metals). In addition, they contain residuals that are fully regulated hazardous waste that entail high disposal costs (e.g., plasma panels) or that require special handling (e.g., fluorescent lamps). As non-CRTs are lighter and CEW recycling payments are weight-based, recyclers are paid less for these devices even though they are more costly to manage. Hence, the single recycling payment rate that CalRecycle established at the inception of the CEW Recycling Program proved to be insufficient for non-CRTs.

CalRecycle determined that: (1) no alternative would be more effective in carrying out the purpose for which the action is proposed; (2) no alternative would be as effective and less burdensome to affected private persons, while at the same time protecting human health, safety, and the environment, and the integrity of public funds; and (3) no alternative would be more cost-effective to affected private persons and equally effective in implementing the statutory policy or other provisions of law.

REASONS FOR REJECTING ANY PROPOSED ALTERNATIVES THAT WOULD LESSEN THE ADVERSE ECONOMIC IMPACT ON SMALL BUSINESSES (GOV Section 11346.9(a)(5))

CalRecycle made the determination that the proposed regulations will not have a significant adverse economic impact on business.

TECHNICAL STUDIES, REPORTS OR DOCUMENTS

There are no updated materials relied upon.