

# Glass Market Development Payment Program Instructions

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## Objectives

The Department of Resources Recycling and Recovery (CalRecycle), Division of Recycling (Division) has prepared this bulletin to assist eligible entities in applying for and receiving the Glass Market Development (GMD) Payment authorized under Public Resources Code (PRC), Section 14549.7.

## Glass Market Development Payment Authority

The passage of [SB 1013 \(Atkins, Chapter 610\)](#) added PRC 14549.7 to develop California markets for glass beverage containers collected for recycling in the state and to allow the Department to, subject to the availability of funds, pay a market development payment to a glass beverage container manufacturer who purchases recycled glass collected within this state for use in manufacturing new beverage containers in this state.

Beginning January 1, 2023 and until December 31, 2027, the Department may expend up to sixty million dollars (\$60,000,000) annually for glass market development payments for glass (PRC 14581 (a)(13)). The department shall determine the amount of the market development payment, but the payment shall not exceed fifty dollars (\$50) per ton.

Only glass beverage containers manufactured in California are eligible for GMD payments. The beverage container manufacturer is responsible for ensuring that only recycled California glass purchased from a certified California processor is used in the production of new beverage containers claimed for GMD. The beverage containers claimed for GMD shall exclude all non-qualifying material (out of state, plant rejects, and other non-qualifying glass material).

Further eligibility and reporting requirements for the GMD Payment program can be found in the Public Resources Code, Section 14549.7 and 14581.

## Specifications

To claim GMD Payments, an entity must complete the following steps, as outlined below:

1. GMD Determination of Eligibility
2. GMD Payment Claim Form
3. STD 204 Payee Data Record

## GMD Payment Determination of Eligibility

To determine whether an entity is eligible to claim GMD Payments, CalRecycle has developed a **GMD Determination of Eligibility Form** that all interested applicants must complete and submit to the Department for review and approval. Only eligible entities, as determined upon completion of this form, will be eligible to submit claims for GMD Payments. Approved applicants will also be required to resubmit a GMD Determination of Eligibility Form annually by July 1 to continue to claim GMD.

Once an applicant has received approval, the GMD Payment Claim Form and an STD 204 Payee Data Record will be sent to the applicant. The STD 204 Payee Data Record should be completed and returned as soon as possible to CalRecycle to ensure prompt payment.

## GMD Payment Submission of Claim Forms

Eligible entities (as determined in the *GMD Determination of Eligibility*) must submit a **GMD Payment Claim Form to CalRecycle on a quarterly basis. Claim forms for the July 1 through September 30 period are due on November 10.** For future claims, GMD Payments will be processed quarterly (i.e., January – March). GMD Payment Claim Forms must be submitted no later than the tenth day of the second month following the reporting quarter (i.e. January - March claim forms must be submitted by May 10<sup>th</sup>).

## Contacts

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## Instructions for Completing the GMD Claim Form

1. Mark the calendar quarter and year for the payment being claimed.
2. Enter your certification number (certified participants) or identification number (glass beverage container manufacturers).
3. Provide the facility name, facility address, contact person and telephone number of the company making the claim.
4. Provide payee name and payee address where payment should be mailed. This should match the STD 204 Payee Data Record, but if not, a new STD 204 must be submitted.

5. Enter the total glass tons claimed.
6. Attach a spreadsheet, which includes the source of the material by Cert ID, participant name, and indicate the weight to tenths of tons of beverage container glass shipped by the certified entity to the beverage container manufacturer. Prior to determining the weight of the glass received from a certified participant, the manufacturer must exclude non-qualifying material (out of state, plant rejects, and other non-qualifying glass material).
  - a. EXAMPLE: (Total glass weight – non-qualifying glass) = amount eligible for MDP; 1,000 total glass tons – 400 non-qualifying tons = 600 tons.
  - b. After excluding non-qualifying glass, the Glass Market Development Rate is applied to the tonnage of recycled glass from a certified participant, e.g., 600 tons x 57% (2023 GMD Rate) = 342 tons. The GMD Rate is subject to change yearly. After applying the GMD rate, if the total weight of newly manufactured glass beverage containers exceeds the tonnage post GMD Rate (342 tons), then this is the amount eligible for GMD payments and recorded in the appropriate box of the GMD Claim Form (342 tons). If the total weight of newly manufactured glass beverage containers is below the tonnage post GMD Rate (342 tons), then the amount of newly manufactured glass beverage containers in tons is eligible for GMD payments.
  - c. After applying the GMD rate, if the total weight of newly manufactured glass beverage containers exceeds the tonnage of recycled glass received from a certified participant (342 tons), then the tonnage of received glass from a certified participant is the amount eligible for GMD payments and recorded in the appropriate box of the GMD Claim Form (342 tons). If the total weight of newly manufactured glass beverage containers (for example 232 tons manufactured) is below the tonnage of recycled glass from a certified participant (342 tons), then only the amount of newly manufactured glass beverage containers (232 tons) is eligible for GMD payments.
7. An authorized representative of your company must sign and date the GMD Claim Form under penalty of perjury. This certifies that the glass was:
  - a. recycled, cleaned and processed in this state, and
  - b. manufactured into a glass beverage container in California.

Before the payment is made, CalRecycle may contact the participant to obtain copies of the bill(s) of sale, invoice(s) or other supporting documents to verify selected line-items on the spreadsheet. These documents must provide:

- the type and weight of the glass beverage container material purchased from a certified participant, and
- the name, certification number and phone number of the seller.

The Division will notify all claimants of their total GMD payment within 30 business days after the Division completes its review and processing of the GMD Claim Forms.

## Scenarios

### Scenario 1

A glass beverage container manufacturer receives glass from a beneficiating processor that is certified with CalRecycle. The glass has been cleaned and processed and will be used in the manufacturing of beverage containers in California. The manufacturer would complete the GMD Claim Form and attach a spreadsheet detailing the source of the material claimed. This package would be submitted to CalRecycle.

### Scenario 2

A processor receives used refillable glass beverage containers, cancels the material, and then washes and processes the refillable beverage container to make them fillable by a beverage manufacturer. Since the processor has made the beverage container fillable again, the processor is considered the beverage container manufacturer and able to claim the payment. They would complete the GMD Claim Form and attach a spreadsheet detailing the source of the material claimed. This package would be submitted to CalRecycle.