



December 15, 2023

NOTICE

To: All Interested Parties

Subject: 2024 Processing Fees for Beverage Manufacturers

Section 14575 of the Public Resources Code (PRC) requires the Department of Resources Recycling and Recovery (CalRecycle) to establish a processing payment and a processing fee for any beverage container type with a scrap value less than the cost of recycling. This notice announces the 2024 processing fee for each beverage container type in Table 1 – 2024 Processing Fees for Beverage Manufacturers (attached). Table 1 also provides details on the inputs used for calculating the processing fee for each beverage container type.

Pursuant to PRC Section 14575, the calculations of the 2024 processing payments are based on the difference between the scrap values offered to recyclers and the sum of the actual costs of recycling for certified recycling centers, excluding centers receiving handling fees, plus a reasonable financial return. In addition, a cost-of-living adjustment will be applied to the 2024 calculations.

California Code of Regulations Section 2975 was amended in 2023, setting the reasonable financial return for processing payment calculations at 10 percent for the calendar year 2024.

CalRecycle determined scrap values for the processing payment and processing fee calculations based on the average scrap values paid to recyclers for each beverage container type for the period between October 1, 2022, and September 30, 2023.

PRC Section 14575(d) requires that a processing fee equal 65 percent of the processing payment except for as noted in PRC Section 14575(e). Pursuant to PRC Section 14575(e), CalRecycle adjusts the processing fees by a specified percentage of the processing payment and based on the recycling rate of a beverage container type.

[Senate Bill 1013 \(Atkins, Chapter 610, Statutes of 2022\)](#) and [Senate Bill 353 \(Dodd, Chapter 868, Statutes of 2023\)](#) amended PRC Section 14575(k), respectively, stipulating that the processing fee and processing payment for wine or distilled spirits contained in a beverage container that is a box, bladder, or pouch, or similar container be equal to the processing fee and processing payment for HDPE beverage containers.

PRC Section 14575(j) directs CalRecycle to reduce total processing fees for glass and PET plastic if sufficient surplus funds remain in the respective processing fee accounts and if the recycling rates equaled or exceeded 45 percent in the preceding calendar year. Since sufficient funds are in the processing fee accounts and the recycling rates are above 45 percent, a \$2 million reduction for glass and PET plastic will be provided.

Pursuant to PRC Section 14575(g)(1), beverage manufacturers shall pay applicable processing fees for each container sold or transferred to a distributor or dealer within 40 days of the sale.

For further information on the determination of processing fees, please contact Jim Huck, Statistical Information Section, Division of Recycling, at (916) 323-5778. If you have any questions concerning processing fee reporting requirements, please contact your assigned account representative in the Participant Management Unit at (916) 323-1837.

Updated information regarding the program is available on CalRecycle's website at [Beverage Container Recycling - CalRecycle Home Page](#).

Sincerely,

Rachel Machi Wagoner
Director

Attachment

Table 1 - 2024 Processing Fees for Beverage Manufacturers

(Effective January 1, 2024)

	Glass	PET	HDPE*	Vinyl	LDPE	PP	PS	Other	Bimetal
Cost of Recycling per Ton with Reasonable Financial Return & COLA	\$ 211.08	\$ 696.33	\$ 1,005.74	\$ 1,581.90	\$ 2,256.72	\$ 2,024.58	\$ 1,254.06	\$ 1,374.01	\$ 1,267.68
Scrap Value per Ton	-\$1.39	\$ 144.31	\$ 248.74	\$ -	\$ 4.23	\$ 28.46	\$ 2.90	\$ 3.49	\$ 15.33
Processing Payment per Ton	\$ 212.47	\$ 552.02	\$ 757.00	\$ 1,581.90	\$ 2,252.49	\$ 1,996.12	\$ 1,251.16	\$ 1,370.52	\$ 1,252.35
Processing Payment per Pound	\$ 0.10623	\$ 0.27601	\$ 0.37850	\$ 0.79095	\$ 1.12624	\$ 0.99806	\$ 0.62558	\$ 0.68526	\$ 0.62618
Containers per Pound	1.96	24.30	7.60	9.70	40.80	10.90	100.20	3.10	8.00
Manufacturers' Percentage of Processing Payment	12%	11%	14%	65%	65%	65%	65%	65%	65%
Processing Fee Pursuant to Section 14575(f)	\$ 0.00650	\$ 0.00125	\$ 0.00697	\$ 0.05300	\$ 0.01794	\$ 0.05952	\$ 0.00406	\$ 0.14368	\$ 0.05088
Section 14575(j) Processing Fee Reduction	\$ 0.00074	\$ 0.00015	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Processing Fee per Container	\$ 0.00576	\$ 0.00110	\$ 0.00697	\$ 0.05300	\$ 0.01794	\$ 0.05952	\$ 0.00406	\$ 0.14368	\$ 0.05088

*The processing fee for wine or distilled spirits contained in a beverage container that is a box, bladder, or pouch, or similar container is equivalent to the HDPE processing fee.