

REGULATION TEXT

DIVISION OF RECYCLING

DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY

CALIFORNIA CODE OF REGULATIONS

TITLE 14. NATURAL RESOURCES

DIVISION 2. DEPARTMENT OF CONSERVATION

CHAPTER 5: DIVISION OF RECYCLING

SUBCHAPTER 1. DEFINITIONS

§ 2000. Definitions.

(3.7) (A) "Bottle washer processor" means a person who accepts empty reusable beverage containers in this state and is responsible for cancelling empty reusable beverage containers in the manner prescribed in section 2000(a)(4)(B)(ii) of these Regulations.

(B) A bottle washer processor shall be subject to the requirements in these Regulations applicable to processors, except as otherwise specified in these Regulations.

(4) "Cancellation" means the act of removing the refund value of an empty beverage container by any of the following actions:

(A) Aluminum empty beverage containers shall be deemed cancelled when such containers can no longer be physically reconstituted or distinguished as container units. Except as provided in section 2110(b), this may be accomplished by shredding or densification to thirty pounds per cubic foot or more.

(B) Glass empty beverage containers shall be deemed cancelled when such containers have been substantially cleaned of non-glass contaminants and they are:

(i) crushed in size in such a manner as to be acceptable without further processing by a willing user, or

(ii) washed by a bottle washer processor or a processor authorized by the Department to wash bottles to remove the CRV marking and verifiable in accordance with section 2421(a) of these Regulations so the glass beverage container is ready for subsequent refill and sale by a beverage manufacturer. A glass beverage container cancelled pursuant to this clause shall be deemed a reusable beverage container for purposes of the Act and these Regulations.

(C) Plastic empty beverage containers shall be deemed cancelled when the original form has been so altered as to make its reconstitution physically impossible.

(D) Bimetal empty beverage containers shall be deemed cancelled by densification sufficient to ensure that separation of a single container is no longer possible, or by shredding, milling, or nuggeting.

(E) Any empty beverage container shall be deemed cancelled when it is permanently exported from the State and export verified in accordance with subsections 2420(d)(1),

(2) and (3) of these regulations provided that, if aluminum beverage containers, they are first densified to no less than 15 pounds per cubic foot, or shredded.

(F) Any empty beverage container shall be deemed cancelled when it is delivered to a location of end use and the delivery verified in accordance with subsections 2420(d)(1), (2) and (3) of these regulations provided that the following requirements are met:

1. aluminum beverage containers are first densified to not less than 15 pounds per cubic foot, or shredded.
2. glass beverage containers are delivered to a location of end use, which includes a beneficiating processor, as defined in Public Resources Code section 14503.6.

Authority cited: Sections 14530.5(b), 14536(b), 14536.1, 14539(f), and 14599, Public Resources Code. Reference: Sections 14500, 14501(f), 14503, 14503.6, 14504, 14505, 14506.5, 14509.5(b), 14511.7, 14512, 14512.5, 14513, 14514.4.1, 14514.7, 14517, 14518, 14518.5, 14519.5, 14520, 14520.5, 14520.6, 14522.5, 14524, 14525.5.1, 14526, 14530, 14530.2, 14536(a), 14537, 14538, 14539, 14550, 14552, 14561, 14571.2, 14571.8(b), 14572, 14573, 14573.5, 14573.51, 14574, 14575(a) and 14575(b), Public Resources Code.

SUBCHAPTER 2. GENERAL REQUIREMENTS

ARTICLE 1. CERTIFICATION APPLICATION PROCEDURES

§ 2010. Applicant Qualifications.

- (a)(1) Any operator of a recycling center, a dropoff or collection program, community service program, ~~or a processing facility~~, or bottle washer processing facility shall be eligible to apply for certification in the respective category from the ~~Division~~ department.
- (2) The department may authorize a processor that is not certified as a bottle washer processor to cancel reusable beverage containers in accordance with the requirements specified in these Regulations for bottle washer processors.

Authority cited: Sections 14530.5(b), ~~and 14536(b) and 14539(f)~~, Public Resources Code. Reference: Sections 14511.7, 14538, 14539, 14540 and 14553(b), Public Resources Code.

ARTICLE 2. CONTENT OF CERTIFICATION APPLICATIONS

§ 2045. Applications for Recycling Centers, ~~and Processors~~, and Bottle Washer Processors.

(a) To be considered complete, the applications (~~see Figures 1, 2, 3, and 4~~) shall contain the following information:

- (1) The category of certification requested.

(2) The business address, mailing address, e-mail address, website and telephone number of the organization. The name of the contact person and the following information about the contact person:

(A) Residential address;

(B) Residential phone number;

(C) Mobile phone number;

(D) E-mail address;

(E) A valid Driver License or Identification Card issued by the State of California, or a United States federal or state government issued photo identification;

(F) Date of birth; and

(G) Social Security Number, on a voluntary basis.

(3) The type of organization which is requesting certification.

(A) If the organization is an individual doing or proposing to do business under a different name, the applicant shall provide a copy of any fictitious business name statement.

(B) If the organization is a partnership, the applicant shall provide a copy of the current partnership agreement and any fictitious business name statement.

(C) If the organization is a corporation, the applicant shall provide the corporate number and Articles of Incorporation and name and position of all current corporate officers as filed with the Secretary of State, any fictitious business name statement, and the agent for service of process.

(D) If the organization is a corporation from a state other than California, the applicant shall provide a copy of the approved certificate from the California Secretary of State qualifying and authorizing the corporation to transact business in California.

(E) If the organization is a ~~husband and wife~~ married couple co-ownership, the applicant shall provide both names and any fictitious business name statement.

(F) If the organization is a local government agency, the applicant shall provide a copy of the authorizing resolution from the governing board.

(G) If the organization is a limited liability company (LLC), the applicant shall provide a copy of the Articles of Organization and Statement of Information as filed with the Secretary of State, any operating agreement, any fictitious business name statement, and the agent for service of process.

(H) If the organization is a limited liability company from a state other than California, the applicant shall provide a copy of their certificate from the California Secretary of State authorizing the LLC to transact business in California.

(4) The federal identification number (employer ID number) of the organization.

(5) A history of past and pending certifications requested from the ~~Division~~ department.

(6) The name, address, and phone number (if applicable) of the recycling center or processing facility.

(7) (A) The physical location of the facility in relation to the nearest cross street.

(B) For a bottle washer processor, the physical location of the facility in relation to the nearest cross street where the reusable beverage containers will be washed, if different from the physical location specified in subparagraph (A).

(8) The name, address and phone number of the owner or leaseholder, if applicable, of the facility premises.

(A) If the applicant owns the property, a current mortgage statement or a current tax bill which specifically identifies the organization name and the facility location.

(B) If applicant is leasing, renting, or operating on donated space, a signed copy of a current lease, rental agreement or written permission from the property owner or leaseholder who has authority to determine use of the specific property shall be provided.

(C) If the applicant purchased the recycling center or processing facility business, the name of the person(s) from whom it was purchased.

(9) Processors and bottle washer processors shall provide the actual days and hours open for business if a regular schedule is maintained or, if a regular schedule is not maintained, processors and bottle washer processors shall indicate that they transact business by appointment only. This is for informational purposes only and does not subject processors or bottle washer processors to the fine and penalty provisions of the Act.

(10) Recycling centers shall provide the actual days and hours open for business.

(A) For recycling centers which are staffed, "actual days and hours open for business" shall be those days and hours where staff are scheduled to be present and do not include lunch breaks.

(B) For recycling centers which consist of reverse vending machines, "actual days and hours open for business" shall include all of the following:

1. The days and hours when the machine is scheduled to be in operation, and
2. The days and hours when beverage containers which are odd-sized or made from materials other than aluminum, glass and plastic will be redeemed, and
3. The days and hours when any beverage containers not accepted by the reverse vending machine will be redeemed by the host dealer.

(11) With the exception of recycling centers which meet the criteria for grandfathering, and processors, and bottle washer processors, acknowledgment that the organization agrees to accept and redeem all types of redeemable beverage containers.

(12) For recycling centers, a general description of the methods used to collect, store and/or cancel redeemed beverage containers. This shall include, but is not limited to, the types of equipment and/or receptacles used and the staffing.

(13) For recycling centers, the organization shall indicate if applying as a rural region recycler or a nonprofit convenience zone recycler.

(14) Recycling centers which consist of reverse vending machines shall specify a method for redeeming empty beverage containers which are odd-sized, made from materials other than aluminum, glass and plastic, or otherwise not accepted by the reverse vending machine. In determining whether the method is acceptable, the Division department shall consider, but not be limited to, the following:

(A) Convenience to the public,

(B) Volume of containers sold, and

(C) Size and shape of containers

(15) For processors and bottle washer processors, the type(s) of beverage containers which will be accepted.

(16) Processors and bottle washer processors shall describe which of the acceptable methods prescribed in section 2000(a)(4) of these regulations will be used to cancel redeemable beverage containers.

(17) The name, residence address, including city and zip code, and residence phone number of the applicant. Programs operated by limited liability companies, corporations or governmental agencies are exempt from this provision.

(18) For an organization seeking certification of a recycling center located on federal land, a written authorization from an authorized agent of the federal government which will allow inspectors from the Division department to enter the federal property for the purpose of conducting audits and unannounced inspections of the recycling center, pursuant to section 2125 of these regulations.

(19) For organizations requesting certification to operate a grandfathered facility, evidence that the recycling center was in operation on January 1, 1986, and the types of beverage containers accepted on that date.

(20) The application voucher number and the name of the person on the application voucher.

(b) The application shall be submitted on a form entitled "Certification Application, Recycling Centers, and Processors, and Bottle Washer Processors" provided by the

Division department and signed by the applicant under penalty of perjury. The signature block shall contain an affidavit that the information in the application is true and that the organization agrees to operate in compliance with the Act and these regulations.

(1) If the organization is a partnership, the application shall be signed by each partner.

(2) If the organization is a firm, association, corporation, county, city, public agency or other governmental entity, the application shall be signed by the chief executive officer or the individual with authority to legally bind said entity to a contract.

(3) If the organization is owned by a married couple the application shall be signed by each spouse.

(4) If the organization is a limited liability company, the application shall be signed by a managing member, Executive Officer, or other designated member with the authority to legally bind the limited liability company to a contract.

(5) The applicant shall provide a valid Driver License or Identification Card issued by the State of California, or a United States federal or state government issued photo identification of the applicant for identification purposes.

(6) The applicant shall provide the following:

(A) Registry ID, issued by the Division department, of the applicant;

(B) Date of birth of the applicant;

(C) E-mail address of the applicant;

(D) Mobile phone number of the applicant;

(E) The application voucher number and the name of the person on the application voucher.

(c) An organization seeking certification to operate a recycling center as a nonprofit convenience zone recycler shall provide written documentation showing that its organization was established under Section 501(c) or 501(d) of Title 26 of the United States Code.

(d) The applicant shall prepare and submit with the certification application a Readiness Plan which shall demonstrate the applicant's ability to meet the conditions necessary to successfully operate a recycling center ~~or~~ processing facility, or bottle washer processing facility.

(1) The applicant shall demonstrate preparedness in the following areas of responsibility and provide any applicable dollar amounts or information.

The Readiness Plan shall contain at a minimum the following information:

(A) Projected startup costs for expenditures such as local government permit fees and licenses, land, construction, and initial operating costs;

(B) Projected monthly expenses for expenditures such as labor, taxes and fees, equipment and capital, and overhead;

(C) Projected monthly revenues for earnings such as sale of scrap, payments from processors and bottle washer processors in addition to CRV payments, or potential grants; and

(D) Projected financing to operate successfully including sufficient cash flow to cover costs during slower business cycles.

NOTE: Authority cited: Sections 14530.5(b), ~~and~~ 14536(b) and 14539(f), Public Resources Code. Reference: Sections 14514.7, 14515.6, 14538, 14539, 14540 and 14571(a), 14571(b) and 14571(d), Public Resources Code.

ARTICLE 4. GENERAL ACCOUNTING REQUIREMENTS

§ 2110. Canceled Materials and Rejected Containers

(a) Except as specified in subsection (b) of this section, no person shall pay or receive a refund value, processing payment, administrative fee, handling fee or other payment mandated by the Act or this chapter for any material that has been canceled, any rejected containers, or any line breakage containers.

(b) The ~~Division~~ department shall pay applicable payments or fees to a processor for material canceled by the processor and reported pursuant to section 2425 of these regulations.

(1) (A) A processor may issue a written authorization, for a period not to exceed one year, to a recycling center, bottle washer processor, or another processor to cancel material.

(B) A bottle washer processor may issue a written authorization, for a period not to exceed one year, to a processor to cancel reusable beverage containers.

(2) The processor shall submit a copy of the authorization in (b)(1) above to the ~~Division~~ department at least 12 days prior to its effective date. The ~~Division~~ department shall modify the beginning or ending dates, if the authorization is not submitted 12 days prior to its effective date or exceeds the one year limitation in 2110(b)(1) above. The ~~Division~~ department shall have the authority to deny the authorization and must notify the parties of such denial, in writing, prior to the date the authorization would have become effective. If the ~~Division~~ department does not deny the authorization, in writing, prior to the effective date the authorization shall be deemed approved.

(A) The ~~Division~~ department may deny an authorization to cancel only upon the grounds enumerated as follows:

1. If aluminum beverage containers, the recycling center, bottle washer processor, or another processor does not have the capability to shred the material or densify the material to at least 15 pounds per cubic foot.
2. If, for any beverage container type, the recycling center, bottle washer processor, or another processor has been found to be in violation of sections 14538(b) or 14539(b) of the Act within the prior two year period of the requested date of the authorization to cancel and the violation(s) has (have) not been corrected.

3. If, for reusable beverage containers, the processor does not have an agreement in place to transfer the reusable beverage containers to a bottle washer processor that has the capability to cancel reusable beverage containers in accordance with sections 2000(a)(4)(B)(ii) and 2421(a) of these Regulations.

(3) Notwithstanding (1)(A), above, a processor shall not issue an authorization to a recycling center or another processor to cancel aluminum beverage containers unless such recycling center or processor either shreds the material or densifies the material to no less than 15 pounds per cubic foot prior to cancellation by shipment to a location of end use or shipment out-of-state and the processor has verified that the recycling center or processor has the equipment to densify, or shred, and that the equipment is properly functioning at the time the authorization is given.

(4) The authorization in (b)(1)(A) above shall contain all of the following information:

(A) The dates during which it shall be in effect.

(B) The certification numbers of both the recycling center, bottle washer processor, or other processor and the authorizing processor.

(C) The material type which the recycling center, bottle washer processor, or other processor is being authorized to cancel and the method of cancellation.

(D) The manufacturer and model number of the equipment being utilized to cancel the material, if applicable, and the manner by which the processor verified that the equipment is properly functioning.

(5) The authorization in (b)(1)(B) above shall contain all of the following information:

(A) The dates during which it shall be in effect.

(B) The certification numbers of both the processor and the authorizing bottle washer processor.

(C) The manner by which the processor will transfer the reusable beverage containers to a bottle washer processor that has the capability to cancel reusable beverage containers in accordance with sections 2000(a)(4)(B)(ii) and 2421(a) of these Regulations.

~~(5)(6)~~ The Division department shall have the authority to immediately revoke, effective upon written notification to both parties, any authorization to cancel aluminum beverage containers if the authorized recycling center or other processor is no longer capable of shredding or densifying to at least 15 pounds per cubic foot, or does not do so.

~~(6)(7)~~ The Division department shall have the authority to immediately revoke, effective upon written notification to both parties, an authorization to cancel for any beverage container type, if the recycling center, bottle washer processor, or other processor is found to be in violation of sections 14538(b) or 14539(b) of the Act.

(8) The department shall have the authority to immediately revoke, effective upon written notification to both parties, an authorization to cancel reusable beverage containers if the authorized processor does not transfer the reusable beverage containers to a bottle washer processor that has the capability to cancel reusable beverage containers in accordance with sections 2000(a)(4)(B)(ii) and 2421(a) of these Regulations.

~~(7)(9)~~ Notwithstanding section 2000(a)(4), material disposed of pursuant to section 2410 shall be deemed canceled.

(c) For material not physically delivered to a processor pursuant to this section and section 2430(a)(3) of these regulations for which the processor paid, or will pay, the

refund value, the Division department shall have the authority to inspect the load or loads of material, and examine the records pertaining to such loads, at the location of end use or any other location where the material was physically delivered.

Authority cited: Sections 14530.5(b), ~~and 14536~~ and 14539(f), Public Resources Code. Reference: Sections 14518, 14518.5, 14538, 14539, 14552.51, 14553, 14573 and 14573.5, Public Resources Code.

SUBCHAPTER 5. PROCESSORS

ARTICLE 1. REQUIREMENTS FOR PROCESSORS

§2400. Operation Standards.

(a) All certified processors shall operate in accordance with all of the following requirements:

(1) Processors certified by the Division department shall begin operation within sixty (60) calendar days of approval of the certification. Failure to begin operation within sixty (60) calendar days shall result in invalidation of the certification by the Division department.

(2) The processor shall accept one or more type(s) of redeemable beverage container(s).

(3) Certified processors shall redeem empty beverage containers from any certified operators of recycling centers, dropoff or collection programs, or community service programs and operators of curbside programs which have been issued an identification number in accordance with these regulations. Payments shall be made in accordance with section 2430 of these regulations.

(4) Certified processors shall make payments and invoice the Division department within the time periods specified in article 3 of this subchapter.

(5) Certified processors shall cancel redeemable beverage containers in any one or more of the manners prescribed in section 2000(a)(4) of these regulations.

(b) Notwithstanding paragraph (3) of subdivision (a), a bottle washer processor may reject a shipment of beverage containers that contains any of the following:

(1) A beverage container not capable of being washed for refill and sale by a beverage manufacturer, such as a broken glass beverage container.

(2) A beverage container other than a glass beverage container.

(3) A beverage container of a type or size that the bottle washer processor is not capable of processing.

Authority cited: Sections 14530.5(b), ~~and 14536(b)~~ and 14539(f), Public Resources Code. Reference: Sections 14539, 14573, 14573.5 and 14573.6, Public Resources Code.

ARTICLE 3. ACCOUNTING AND REPORTING REQUIREMENTS

§2421. Cancellation Verification For Reusable Beverage Containers.

(a) Notwithstanding the cancellation verification procedures specified in section 2420(d) of these Regulations, the proof of cancellation for reusable beverage containers by a bottle washer processor in accordance with section 2000(a)(4)(B)(ii) of these Regulations shall include all of the following:

(1) A receipt or weight ticket issued by the bottle washer processor receiving the shipment.

(2) Any applicable bill of lading or sales record.

(3) A receipt of the total weight of containers that are sold or transferred for subsequent refill and sale by a beverage manufacturer.

(4) A certification prepared in accordance with section 2090(d) of these regulations and signed by the person at the bottle washer processor performing the cancellation. The certification shall identify all of the following:

(A) The cancelled materials, including the total count of reusable beverage containers.

(B) The date of cancellation.

(C) The method of washing. The method of washing shall ensure the requirements for cancellation specified in section 2000(a)(4)(B)(ii) of these Regulations are met.

(D) The manufacturer and model number of the equipment being utilized to cancel the material through washing, and the manner by which the bottle washer processor verified that the equipment is properly functioning.

(b) A bottle washer processor shall retain proof of the cancellation verification specified in subdivision (a) in an electronic format for all reusable beverage containers cancelled.

A bottle washer processor shall transfer any proof of the cancellation verification specified in subdivision (a) to the department electronically upon request by the department within 10 days of the request.

(c) For any glass beverage container that began the process for cancellation as a reusable beverage container under subdivision (a), and for any reason did not complete the cancellation process, such as the glass beverage container breaking before or during washing, the glass beverage container shall only be cancelled in accordance with the requirements for a glass beverage container as specified in sections 2000(a)(4)(B)(i) and 2420(d) of these Regulations.

Authority cited: Sections 14530.5(b), 14536 and 14539(f), Public Resources Code.

Reference: Section 14539, Public Resources Code.