

**Department of Resources Recycling and Recovery**  
AB 881 and SB 343 Recycling and Disposal Reporting System Regulatory  
Permanent Regulations

**INITIAL STATEMENT OF REASONS**

**Introduction**

Existing law, [AB 901 \(Gordon, Chapter 746, Statutes of 2015\)](#) expanded CalRecycle's authority to adopt regulations regulating the reporting of recycling and composting streams and disposal streams. After the enactment of AB 901, CalRecycle promulgated new reporting regulations and created the Recycling and Disposal Reporting System (RDRS) to gather information necessary to help the state accomplish various statewide waste and recycling mandates and goals, such as the 50% diversion mandate (AB 939, Sher, Chapter 1095, Statutes of 1989), a 75 percent reduction of disposal goal ([AB 341, Chesbro, Chapter 476, Statutes of 2011](#)), mandatory commercial organics recycling ([AB 1826, Chesbro, Chapter 727, Statutes of 2014](#)), and reducing short-lived climate pollutant emissions from landfills ([SB 1383, Lara, Chapter 395, Statutes of 2016](#)).

**Problem**

The problem addressed in the proposed regulatory amendments relates to new statutes and existing regulations. Regarding the new statutes, [AB 881 \(Gonzalez, Chapter 501, Statutes of 2021\)](#) and [SB 343 \(Allen, Chapter 507, Statutes of 2021\)](#) became law in 2022. These statutes have different goals, but both attempted to ameliorate problems related to diversion and recycling and impact the existing RDRS regulations regarding those existing regulations, found in sections 18815.1 through 18815.13 of title 14 of the California Code of Regulations (CCR), some opportunities for improving the regulations have become clear after a few years of reporting.

AB 881 concerns plastics that are exported out of California. Such plastics have historically been considered diversion from disposal. However, plastics that are exported have uncertain ends. They may be disposed instead of recycled, especially the plastics that are more difficult to recycle and market: polyvinyl chloride (resin code #3), low-density polyethylene (#4), polystyrene (#6), and other plastic (#7). Accordingly, disposal numbers for a jurisdiction may be underestimated if that jurisdiction is the source of exported plastics. AB 881 addresses this problem by classifying the export of mixed plastic materials as disposal (California Public Resources Code [PRC], Section 41781.4), where the mixed plastic excludes the more recyclable plastics: polyethylene terephthalate (resin code #1), high-density polyethylene (#2), and polypropylene (#5). AB 881 further requires CalRecycle to collect the jurisdictions of origin for such export (PRC section 41821.5(b)(4)).

Current RDRS reporting requirements (CCR, title 14, sections 18815.1 through 18815.13), however, do not cover this information.

SB 343 concerns the recyclability of materials. Because plastics and other materials differ in their recyclability, it is challenging for consumers to understand whether any particular item can be recycled in the state. For example, many products and packaging materials use a chasing arrows symbol or otherwise direct consumers to recycle, but the use of those symbols and directions has not been subject to minimum objective standards. SB 343 addresses this problem by defining criteria for recyclability and mandating that materials, except for those in certain exempted categories, meet the criteria if they bear the recycling symbol or other similar labeling (PRC section 42355.51). Current RDRS reporting requirements (CCR, title 14, sections 18815.1 through 18815.13) do not cover information sufficient to evaluate whether particular materials satisfy those criteria, and SB 343 specifically directed CalRecycle to update the RDRS regulations to collect additional information (PRC subsection 42355.51(d)(1)(A)(i)).

Finally, CalRecycle has identified instances where existing language within the RDRS regulations (i.e., CCR, title 14, sections 18815.1 through 18815.13) can be made clearer or updated to better reflect real-world conditions and ensure consistency with applicable statutes. The proposed regulatory changes will update the RDRS regulations to resolve these issues, thereby improving data collected in RDRS and stakeholders' understanding of their regulatory requirements. Note that CCR, title 14, sections 18815.10 and 18815.13 are not being amended in this regulatory proposal.

## **Purpose and Necessity**

The proposed regulatory updates can be categorized into three groups: those made for AB 881, for SB 343, and generally to improve the existing regulations. The purpose and necessity differ slightly among the groups.

For AB 881, the proposed regulations are meant to enable CalRecycle to collect origins information for mixed plastic tons exported out of state. Using that information, CalRecycle will be able to calculate disposal more accurately for each jurisdiction within California. These changes are necessary because AB 881 classified certain plastic export as disposal (PRC section 41781.4) and required CalRecycle to collect jurisdiction of origin information for mixed plastic waste that is exported (PRC section 41821.5(b)(4)). Consequently, CalRecycle is required to modify text within the RDRS regulations (i.e., CCR, title 14, sections 18815.1 through 18815.13) and those defining disposal (CCR, title 14, section 18784.2) to match the new statutory requirements.

For SB 343, the purpose of the proposed regulations is to allow CalRecycle to gather data on the recyclability of materials in California. Specifically, SB 343 requires RDRS to collect information on what material types and forms are actively recovered by facilities and how that material was collected. Regulatory changes are

therefore needed because SB 343 specifically directed CalRecycle to update the RDRS Regulations behind RDRS (CCR, title 14, sections 18815.1 through 18815.13).

The general regulatory changes seek to clarify the language and scope of various provisions and improve reported data. When determining whether these general updates were necessary, CalRecycle considered whether existing regulations (CCR, title 14, sections 18815.1 through 18815.13) would be clear to an average stakeholder and whether the regulations would allow for the most accurate reporting. Where regulations were unclear or did not allow for the most accurate reporting, CalRecycle is proposing to change the regulations accordingly. CCR, title 14, sections 18815.10 and 18815.13 were deemed to be sufficiently clear and thus are not being amended in this regulatory proposal.

When determining the regulatory changes needed for AB 881, SB 343, and general updates, CalRecycle's guiding principle was to obtain the highest possible data quality, within the bounds of statutory authority and reasonable burden on reporting entities. Specific sections in the rest of this Initial Statement of Reasons (ISOR) explain CalRecycle's rationale for specific changes.

## **Specific Purpose and Necessity of the Regulations**

This section provides the specific purpose and necessity for each proposed regulatory change. The problems addressed by and the benefits of these changes are covered in the previous section, which discusses the regulations at large.

### **Title 14, Sections 18815.1 – 18815.12**

Within Title 14, Article 9.25, changes were made to sections 18815.1 through 18815.12. Changes were not made to 18815.10 and 18815.13.

<b>Title 14.</b>	Natural Resources
<b>Division 7.</b>	Department of Resources Recycling & Recovery
<b>Chapter 9.</b>	Planning Guidelines and Procedures for Preparing and Revising Countywide Integrated Waste Management Plans
<b>Article 9.25.</b>	Recycling and Disposal Reporting System.
<b>Sections</b>	18815.1 through 18815.12

#### *Section 18815.1*

##### *Subsection (c)*

The purpose of this amendment is to delete the statutory reference "Chapter 3.5 (commencing with section 6250) of Division 7 of Title 1 of the Government Code" and replace it with the statutory reference "Division 10 (commencing with section 7920.000) of Title 1 of the Government Code." This amendment is necessary to account for changes to the California Public Records Act and is a non-substantive change.

#### *Section 18815.2*

##### *Subsection (a)(1) and (a)(2)*

The purpose of these amendments is to further clarify the definition reference for "alternative daily cover" (ADC) and "alternative intermediate cover" (AIC). These changes were necessary because the original RDRS regulations stated that the RDRS definitions of ADC and AIC were the same as in sections 20690 and 20700, respectively, of Title 27 of the CCR. However, sections 20690 and 20700 provide the requirements for ADC and AIC. The RDRS regulations were therefore updated to clarify that ADC and AIC refer to a type of beneficial reuse that satisfies the requirements laid out in sections 20690 and 20700, respectively.

*Subsection (a)(5)*

The purpose of this change is to replace "section" with "article" to further clarify that the language of this paragraph applies to the entire article and not just section 18815.2.

*Subsection (a)(7)*

The purpose of the changes to this paragraph is to clarify the definition of a broker and the specific terms "sent to" and "received by" that are used throughout the RDRS regulations in reference to a broker. These changes are necessary to further clarify that when a broker "takes control" of material, the broker has acquired "the authority to determine the destination of the material." These definitions do not differ from the intended meaning of the original regulatory text, and the new proposed language is intended to be clearer and thus ensure greater understanding of and compliance with the RDRS regulations.

*Subsection (a)(10.5)*

The purpose of this new subsection is to define "collection method," which is the means through which a reporting entity receives materials. This definition is necessary because SB 343 (PRC subsection 42355.51(d)(1)(A)(i)) requires CalRecycle to collect information on how the materials collected or processed by reporting entities were collected. Thus, CalRecycle needs to have a definition for collection method. For material that reporting entities accept from a hauler or a generator, CalRecycle defined collection method to include material stream, source sector, and segregation so that CalRecycle could gather collection in well-known and consistent groups, such as contract-hauled residential 1-bin recycling, where "contract-hauled residential" is the source sector, "recycling" is the material stream, and "1-bin" is the segregation. For material that reporting entities receive from an entity other than a hauler or a generator, CalRecycle defined collection method to be the type of reporting entity from which the materials were received (e.g., transfer/processor) to ease reporting burden and in recognition of the fact that specific collection method would likely have already been reported by the entity who initially received the materials from a hauler or a generator.

*Subsection (a)(12)*

The purpose of this update is to replace "these regulations" with "this article" to clarify that existing regulatory language regarding the definition of compost applies to the entirety of this article. This is a nonsubstantive change with no regulatory effect.

*Subsection (a)(16)*

The purpose of this amendment is to rephrase and to further clarify that "destination out of state" does not apply to reporting entities and end users. In addition, replacing "these regulations" with "this article" clarifies that existing regulatory language applies to the entirety of this article.

*Subsection (a)(22)*

The purposes of these changes is to edit the definition of disposal. First, the proposed changes correct the disposal definition to refer to PRC section 40192(b) rather than section 40192, which is necessary to ensure the correct statutory reference was used. Second, this subsection edits the definition of disposal to more clearly denote the materials that are excluded from disposal. The changes to the text – such as explaining the acronym EMSW, creating subparagraphs (A) and (B), and changing "but" to "except" – do not change the meaning of the regulations but these proposed changes make the proposed regulations easier to understand. These changes are nonsubstantive and without regulatory effect.

*Subsection (a)(24)(B)*

The purpose of this amendment is to correct the reference to "Transformation facility" to refer to subsection (a)(63) instead of (a)(61). This is a nonsubstantive change with no regulatory effect.

*Subsection (a)(24)(C)*

The purpose of this change is to note that the material consumer end user category within RDRS includes individuals who take materials from reporting entities for reuse. This change is necessary so that reporting entities will know how to report in RDRS the outflows of material sent to a person for reuse.

*Subsection (a)(25.5)*

The purpose of this subsection is to define "export" as having the same meaning as that defined in PRC section 41781.4(c). This paragraph also clarifies additional aspects of the definition of export. This paragraph is necessary because, while PRC section 41781.4(c) defines export, the statute's definition does not specify when and where export is deemed to occur, nor does it expressly address all destinations that might be considered "out of the country." For example, to clarify whether materials have been exported in potential scenarios where the recipient takes control of the material within California but is headquartered outside the country, the regulatory definition clarifies that the destination of export shall be determined by the location where the recipient takes control of the material. Therefore, in the above example, the material shall not be considered exported as the recipient

gained control of the material within California. The regulatory definition also explains that tribal lands within the United States or territorial holdings of the United States shall not be considered as outside of the United States for the purpose of determining export destination.

*Subsection (a)(26)*

The purpose of this update is to correct the reference to "reuse" to refer to subsection (a)(53) instead of (a)(52). This is a nonsubstantive change with no regulatory effect.

*Subsection (a)(31)*

The purpose of this change is to simplify the statutory reference for the definition of "Government Entity" so it directly refers to PRC section 41821.5. The existing regulatory language references PRC sections 40145 and 40976, both of which are referenced in PRC section 41821.5. This change thus simplifies the statutory reference and makes the regulations more understandable by the regulated public. This is a nonsubstantive change with no regulatory effect.

*Subsection (a)(38.4)*

The purpose of this subsection is to define "mixed plastic waste." This subsection is necessary because the proposed amendments to the regulations introduce data collection and reporting requirements for mixed plastic waste, as required by AB 881 (PRC sections 41781.4 and 41821.5(b)(4)). The regulated community needs to know the materials to which these new requirements apply so that they can be in compliance with the new requirements.

*Subsection (a)(38.5)*

The purpose of this subsection is to define the "mixed waste organic collection stream" as having the same meaning as in section 17402(a)(11.5) of this division. Existing regulations (CCR, title 14, sections 18815.5(d) and 18815.5 (e)) adopted pursuant to SB 1383 specify reporting requirements for the mixed waste organics collection stream for transfer/processors. This subsection is necessary to clearly define the stream and ensure consistency between these regulations and the SB 1383 regulations.

*Subsection (a)(39)*

The purpose of this amendment is to correct the language to use correct regulatory hierarchy. The text uses "subdivision" when it should use "division." This is a nonsubstantive change without regulatory effect.

#### *Subsection (a)(43)*

The purposes of these updates are to account for changes to the definition of recycling in PRC section 41821.5, and to update the paragraph number for the definition of "reuse" to refer to subsection (a)(53) instead of (a)(52). The former amendment is necessary to align the regulations with the amended scope of PRC section 41821.5. Updating the correct reference to "reuse" is nonsubstantive with no regulatory effect.

#### *Subsection (a)(57)*

The purpose of this amendment is to clarify the definition of "solid waste" to include material accepted in a mixed waste organic collection stream. This clarification is necessary to ensure that reporting entities report mixed organic waste as solid waste for disposal, even if such waste is intended to be processed to remove organics for recovery. Because mixed waste organics is collected commingled with solid waste by definition, mixed waste organics must be considered solid waste.

#### *Subsection (a)(57.5)*

The purpose of this subsection is to define "Solid Waste Information System" or "SWIS". If a reporting entity is registered within SWIS, then other proposed changes to the regulations CCR, title 14, section 18815.3 will require this entity to provide its SWIS number and activity type in RDRS beginning in reporting period 4 of 2024. The term SWIS is currently used throughout the existing RDRS regulations in sections 18815.1 to 18815.13, and users of RDRS and related data are thus accustomed to providing a SWIS number and activity type. This definition and explanation of SWIS in subsection 18815.2(a)(57.5) is necessary so that references to SWIS in the updated regulations will be clear and easily understood.

#### *Subsection (a)(58)*

The purpose of this amendment is to create a new source sector category, beginning reporting period 4 of 2024, for material received as residual disposal from and material sent by recyclers, composters, brokers, transporters, and disposal facilities. This amendment also deletes "three" because the updated regulations establish more than three source sector categories. Creating a new source sector category is needed because material received directly from generators is distinct from the residual disposal identified in the new category, but all such materials are categorized as "self-hauled" under existing regulations. Establishing a separate source sector category for material received from a reporting entity other than a contract hauler or transfer/processor adds clarity to the source sector categories and allows CalRecycle to collect more granular information in alignment with the requirements of AB 901 (PRC section 41821.5). These changes to source sector are set to take effect in reporting period 4 of 2024 because reporting entities will need time to implement new data collection



protocols, CalRecycle will need time to alter the online RDRS user-interface appropriately, and CalRecycle does not want these changes to retroactively apply to earlier reporting periods.

*Subsection (a)(58.5)*

The purpose of this subsection is to define the "source separated organic waste collection stream" as having the same meaning as in section 17402(a)(26.6) of this division. Existing regulations (CCR, title 14, section 18815.5(f)) adopted pursuant to SB 1383 specify reporting requirements for the source separated organic waste collection stream for transfer/processors. This subsection is necessary to clearly define the stream and ensure consistency between these regulations and the SB 1383 regulations.

*Section 18815.3*

*Subsection (b)(5)*

The purpose of this change is to ensure that references to regulations use the correct regulatory hierarchy. The original text said "subdivision" when it should have used "division." This is a nonsubstantive change without regulatory effect.

*Subsection (c)(10.5)*

The purpose of this subsection is to clarify when brokers and transporters are not required to report. Brokers and transporters may take control of material either within or outside of California. When the latter occurs, the material has been exported. These regulations cannot require out of state export destinations to report in RDRS. The new changes are nonsubstantive because they do not exempt entities from reporting who would otherwise be required to report.

*Subsection (c)(12)*

The purpose of this amendment is to clarify that contract haulers hauling any materials, such as green material for beneficial reuse, to a reporting entity inside California need not register and report. This change is necessary because contract haulers can haul more than just solid waste, so it was necessary to expand this section by clarifying that contract haulers who take any material to a reporting entity are exempt, not just those contract haulers who move solid waste.

*Subsection (d)(4)*

The purpose of the changes to this paragraph is to clarify the intent of the regulations regarding how sites with multiple reporting entities or activities should

determine whether they meet reporting thresholds. First, a single reporting entity cannot arbitrarily split itself into multiple reporting entities, with the tonnage of each below reporting thresholds. Second, if an organization has multiple reporting entities at the same location, if any entity is above reporting thresholds, then all entities must report all reportable activities (unless exempted by CalRecycle). The changes are necessary because, based on an evaluation of more than two years of RDRS reporting, CalRecycle determined that the language of the subsection required clarification to better reflect its original intent as described above.

*Subsection (d)(7)*

The purpose of this paragraph is to explain that recyclers or composters that do not combine their reporting with another entity must register and report separately. This paragraph is necessary because the existing regulations were unclear about how reporting should occur for recyclers and composters that elected not to combine their reporting with another entity. The regulatory updates clarify that such entities are not exempt from reporting and must report separately if they do not choose to report with another entity.

*Subsection (f), header*

The purpose of this regulatory change is to serve as an introduction to three new paragraphs that more explicitly describe registration and reporting requirements than the existing regulations do. This change is necessary for added clarity, given the greater level of detail now provided in this subsection.

*Subsection (f)(1)*

The purpose of this amendment is to clarify that when new entities are created, they must start reporting immediately, and they are not exempted from reporting for past quarters if they fail to register on time. The former change is necessary because the original regulations allowed new entities to report in the quarter after they became subject to reporting. Moving forward, CalRecycle saw no reason to lose these data on facilities' operations and so decided to require reporting for that quarter. The latter change is necessary to ensure that the timing of an entity's registration is not interpreted as affecting the entity's obligation to submit reports for all quarters for which it is subject to reporting requirements. Both updates will improve the quality and quantity of data collected by CalRecycle within RDRS.

*Subsection (f)(2) and (3)*

The purpose of these updates is to clarify that when a recycler or composter that previously combined its reporting with another facility can no longer do so, or when an exempt or inactive entity becomes subject to reporting requirements once again, the entity shall begin reporting in the quarter in which the change took effect.

These amendments are necessary because entities do change reporting status in RDRS, but the original regulations did not address such scenarios. To maximize the quantity and quality of data collection, CalRecycle will require entities to report in the quarter of the change, rather than the next quarter.

#### *Subsection (g) and (h)*

The purpose of these amendments is to clarify the closure, inactivity, and exemption process for entities in three ways.

First, three situations may remove an entity's reporting requirement: the closure of an entity's parent site, a reporting entity becoming inactive, and changes to a reporting entity's activities such that the entity no longer meets reporting requirements (i.e., exemption). CalRecycle updated subdivisions (g) and (h) to further clarify that subdivision (g) refers to closure and inactivity, and that subdivision (h) refers to exemption.

Second, CalRecycle removed "permanently" from subdivisions (g) and (h) because it implied that status changes to inactive or exempt were irreversible. Status changes, however, need to be reversible. For example, if an inactive entity resumes activities, the fact that that entity's inactivity status was "permanent" is irrelevant. As stated in subdivision 18815.3(f), a reporting entity who changes activities such that their reporting requirement changes is thus required to submit their reports to CalRecycle. CalRecycle cannot exclude this entity from its current reporting requirements simply because the entity was formerly inactive. The same logic applies to exemption. Thus, CalRecycle updated the language to remove permanent.

Third, the updates explain that entities are responsible for submitting reports while CalRecycle reviews a status change request, and the Department shall not approve any request if the entity is missing reports. Further, CalRecycle shall not make a request effective earlier than the date of the request. These changes are necessary to clarify that entities requesting inactivity, closure, or exemption are not excused from submitting past reports for quarters in which the entity was still required to report. This has been an outstanding point of confusion among entities. Entities also sometimes request status changes long after they occur, which provides CalRecycle an incomplete picture of the number of reporting entities in any given quarter. The changes here will encourage entities to report status changes closer to when they occur, improving the accuracy of CalRecycle's quarterly assessment of entities who are required to report.

#### *Subsection (n), (n)(2), and (n)(5)*

The purpose of these changes is to clarify the error correction process and an entity's responsibilities in that regard. These amendments are necessary because CalRecycle has a vested interest in ensuring accurate data within RDRS. However, for reasons of data validity and enforcement, CalRecycle cannot change data

entered by reporting entities. It is the responsibility of reporting entities to correct data. Further, CalRecycle cannot logistically act as an intermediary between reporting entities who have submitted contradictory information that creates a discrepancy in the data. The individual data belongs to each reporting entity, so while CalRecycle can identify potential issues and discrepancies, CalRecycle cannot resolve discrepancies for reporting entities. Thus, the updated regulations are needed to clarify these roles, ensuring that entities are responsible for responding to both CalRecycle-identified and self-identified errors and correcting errors within a limited time frame (so that errors are not ignored indefinitely).

#### *Subsection (p)*

The purpose of the updates to this subdivision is to clarify that CalRecycle may notify a person about lack of registration or reporting, reporting errors, or registration errors. The changes also clarify this process, detailing what CalRecycle must provide and when and how the notified person must respond. This amendment is necessary because the original regulations only explicitly covered CalRecycle's ability to notify someone for missing registration or reporting. However, entities may have submitted errors in their reports or registration. Such errors are just as important to address in order to ensure that the information in RDRS is as accurate as possible. This update is necessary to make explicit that CalRecycle has the authority to notify individuals about these other errors as well and to require individuals to correct these errors in a reasonable time frame. The timeframe of 10 business days was chosen for consistency with other response timeframes in the regulations (18815.3(n)(2), (n)(5), and (q)(3)), because CalRecycle determined that 10 business days was a reasonable response time, and in order to avoid lengthy delays in reconciliation of issues that could impact other reporting entities or jurisdiction disposal allocations. Further, because CalRecycle may notify someone about errors other than reporting, it was necessary to generalize the disclosure language to explain that CalRecycle is not obligated to release information that would identify parties who provided "information related to [a] notice" [emphasis added].

#### *Subsections (q) and (q)(1)*

The purposes of this new subdivision and new paragraph are to clarify registration for sites and entities. Entities are contained within sites, and all entities within a site must have the same operator and be located at the same physical address or adjacent physical addresses. This amendment is necessary because there is confusion among some RDRS stakeholders about how to register sites with multiple entities. Due to other components of the regulations, such as host assigning the jurisdiction of origin to a facility's address, it is important that sites are appropriately registered in RDRS. These regulatory changes clarify the registration process.

*Subsection (q)(2), all of it*

The purpose of this new paragraph is to clarify what information must be provided to register a site and any corresponding entities within RDRS. The information required is necessary to ensure that CalRecycle can appropriately identify entities for registration, reporting, and enforcement purposes. For example, because subsection 18815.3(q)(1) of the RDRS regulations specifies that reporting entities may be contained within sites, CalRecycle needs to collect contact information for both the site and a representative of the site. Further, since individual reporting entities submit reports, CalRecycle needs to collect information about reporting entities, such as their name, activity type, contact information for the person authorizing the submission of the entity's quarterly reports, and the date on which the reporting entity became subject to RDRS reporting requirements. CalRecycle needs to collect SWIS number and SWIS activity type because many facilities in RDRS are required to obtain a SWIS number (pursuant to Article 1 (commencing with PRC section 44000.5, et seq.)). SWIS numbers and activity types are currently referenced throughout the existing RDRS regulations in sections 18815.1 to 18815.13, and users of RDRS and related data are thus accustomed to seeing and providing a SWIS number and SWIS activity type. Having this information will improve CalRecycle's ability to answer Public Records Act requests as well as assess material flows in the state. The SWIS requirements are set to take effect in reporting period 4 of 2024 because CalRecycle will need time to alter the online RDRS user-interface appropriately. Besides SWIS, CalRecycle needs the ability to request other identifiers assigned to reporting entities by CalRecycle because CalRecycle operates many programs, and RDRS data may be used to inform and support additional programs in the future.

*Subsection (q)(3)*

The purpose of this new paragraph is to require that entities who self-identify a registration error must correct the error and notify CalRecycle. This paragraph is needed because errors in registration, like errors in quarterly reports, affect RDRS data quality. If entities self-identify errors, then they need to correct those errors and notify CalRecycle within a reasonable time frame so that CalRecycle can ensure RDRS contains the most accurate information possible. CalRecycle determined that 10 business days is a reasonable response time and is consistent with other error correction timelines in subsections 18815.3(n)(2), 18815.3(n)(5), and 18815.3(p)).

*Subsection (r)*

The purpose of this new subdivision is to highlight to the regulated community that if a reporting entity does not need to report in RDRS because it handles tons under the thresholds in subsection 18815.3(b), then the entity still has requirements it needs to follow. Specifically, an entity shall be required to pass along information to destination reporting entities inside the state. These requirements for information sharing are described elsewhere in the regulations (sections 18815.4 through 18815.8). This subdivision is necessary because the regulations have two broad

sets of reporting requirements. One, entities report information to CalRecycle within RDRS. Two, entities provide information about outflows to the destination entity, such as jurisdiction of origin. If a reporting entity who sends materials handles less than the applicable tonnage threshold, then the destinations for such tons may still require information about these tons (e.g., if the entity sends solid waste for disposal). Thus, this section was necessary to ensure that the sending entity reviews the relevant regulatory sections of 18815.4 through 18815.8 to find these requirements.

### *Section 18815.4*

#### *Subsection (a)*

The purpose of the updates to this subdivision is to clarify that self-haulers are required to provide collection method and jurisdiction of origin for all material delivered to any reporting entity. Further, the changes specify that collection method information applicable to self-haulers includes but is not limited to source sector and material stream. These changes are necessary because of SB 343 and AB 881. SB 343 ((PRC subsection 42355.51(d)(1)(A)(i)) requires reporting entities to report in RDRS the collection method for materials collected or processed by facilities. AB 881 (PRC section 41821.5(b)(4)) requires reporting entities who export mixed plastic waste to report jurisdiction of origin information to CalRecycle. If reporting entities receive materials from self-haulers, then in order for the reporting entities to meet their reporting requirements (CCR, title 14, sections 18815.4 - 18815.8), self-haulers must provide the needed information to the reporting entities. Consequently, the updates to this subdivision are necessary because they require self-haulers to provide the needed information.

#### *Subsection (c)(1) deletion and insertion*

The purpose of these amendments is to change the regulations so that contract haulers are required to provide jurisdiction of origin information for all tons hauled to any reporting entity, rather than only for solid waste hauled to transfer/processors and disposal facilities, as was previously required. These changes are necessary to ensure that any reporting entity exporting mixed plastic waste can report jurisdiction of origin information for that material to CalRecycle as required by AB 881 (PRC section 41821.5(b)(4)). These amendments are also necessary to ensure that recycler/composters and other entities have access to origins information that can be given to disposal facilities for residuals.

#### *Subsection (c)(2)*

The purpose of this paragraph is to explain that contract haulers shall provide source sector information only for solid waste hauled to transfer/processors or disposal facilities, rather than for solid waste hauled to transfer/processors, disposal

facilities, and broker or transporters. CalRecycle removed the requirement that contract haulers pass along source sector to brokers and transporters because the updated regulations dictate that the source sector for material received from entities other than contract haulers and transfer/processors shall be a separate category, "Reporting entity other than contract hauler or transfer/processor" (subsection 18815.2(a)(58)(D)). Therefore, even if contract haulers provided source sector information to brokers or transporters, entities receiving solid waste from broker/transporters would report the source sector as "Reporting entity other than contract hauler or transfer/processor" (subsection 18815.2(a)(58)(D)). Requiring contract haulers to provide source sector to brokers and transporters was therefore unnecessary, and the proposed amendments will remove that unnecessary requirement from the RDRS regulations.

#### *Subsection (c)(3)*

The purpose of this paragraph is to require contract haulers to provide collection method information for all tons of material hauled to a reporting entity. This paragraph is necessary because SB 343 ((PRC subsection 42355.51(d)(1)(A)(i)) requires reporting entities to report to CalRecycle the collection method for the materials that the entities gather or process. For reporting entities to be able to report this information to CalRecycle, they need to obtain the information from the contract haulers who deliver material. The specific requirements for how a contract hauler should provide the collection method to reporting entities are stated in subsection 18815.9(l), and those proposed amendments are discussed later in this Initial Statement of Reasons.

#### *Subsection (d) header, (d)(1), (d)(2), and (d)(2)(F)*

The purpose of these changes is to clarify existing regulations through minor rewording. The header of subdivision (d) contains the language, "For tons hauled," which applies to the paragraphs in the subdivision. CalRecycle decided that the regulations were clearer by moving "For tons hauled" into the beginning of paragraphs (1) and (2). Similarly, CalRecycle added, "For material sent to" to subparagraph (F) of paragraph (2) because each of the other subparagraphs in (2)(A) through (F) contained language to this effect, and CalRecycle determined that this addition improved clarity. These changes are nonsubstantive and without regulatory effect.

#### *Subsection (d)(2)(E)*

The purpose of this amendment is to add reporting requirements for contract haulers sending tons to a broker or transporter who takes control of the material outside of California. The existing and new regulations for contract haulers in subdivision 18815.4(c) allow contract haulers to send material to brokers or transporters within California. Thus, this regulatory change was necessary to account for the possibility of contract haulers sending material to brokers or

transporters outside of California. To reduce reporting burden, the new regulations only require destination region, rather than specific destination person, for materials sent to a broker or transporter who takes control of the material outside of California.

*Subsection (d)(2)(G)*

The purpose of this paragraph is to require contract haulers to report collection method in RDRS for total aggregated tons sent to destinations outside of California for purposes other than disposal or beneficial reuse. This paragraph is needed because if a contract hauler sends materials to an entity not subject to RDRS reporting, then CalRecycle must obtain collection method from the contract hauler rather than the destination entity. To reduce reporting burden, this paragraph requires collection method for total aggregated tons sent for purposes other than disposal and beneficial reuse, rather than collection method by individual destination. The specific requirements for how a contract hauler should determine collection method are stated in subsection 18815.9(l)(2), and the proposed amendments to this subsection are discussed later in this Initial Statement of Reasons.

*Subsection (d)(3), addition*

The purpose of this new paragraph is to require that contract haulers report tons of exported mixed plastic waste to CalRecycle. Contract haulers will report two attributes of the exported mixed plastic waste: one, the tons of each material type sent to each destination region, and two, the tons sent from each jurisdiction of origin across all material types and destination regions. Material type and destination region are necessary so that CalRecycle can obtain an accurate assessment of exported mixed plastic materials, which will improve CalRecycle's ability to monitor progress towards reducing disposal of different plastics. CalRecycle is requiring destination region, rather than specific location, to minimize reporting burden while still gathering destination information for exported materials. Collecting jurisdiction of origin for exported mixed plastic waste is necessary because AB 881 (PRC section 41821.5(b)(4)) requires entities exporting mixed plastic waste to report the jurisdiction of origin for those tons to CalRecycle. CalRecycle is gathering jurisdiction of origin for total exported tons (rather than separately for each destination region or material type of the tons sent) to reduce reporting burden while still collecting the needed information. These proposed regulatory changes are set to take effect in reporting period 4 of 2024 because reporting entities will need time to implement new data collection protocols, CalRecycle will need time to alter the online RDRS user-interface appropriately, and CalRecycle does not want these changes to retroactively apply to earlier reporting periods.



### *Subsection (d)(3) deletion and (h)*

The purposes of these changes, deleting subsection (d)(3) and adding subsection (h), are to improve the overall organization and clarity of section 18815.4. These amendments are necessary to clarify that reporting due dates specified in subsection (h) apply to all haulers who are required to report to CalRecycle.

### *Section 18815.5*

#### *Subsection (a)(1)(A)*

The purpose of this change is to explain how a transfer/processor should report inflows of solid waste and green material for beneficial reuse in which the outflow destination of such inflows depends on the jurisdiction of origin of the inflows. This amendment is necessary because transfer/processors may have contracts or other agreements that dictate that tons received from jurisdiction X must go to destination X, whereas tons received from jurisdiction Y must go to destination Y. The existing design of RDRS allows transfer/processors to report specific outflow destinations for jurisdictions only when materials are received from direct haul, because only materials received from direct haul require jurisdiction of origin. The logic of the system is that transfer/processors receiving materials from other transfer/processors are not often systematically tracking jurisdiction of origin for these inflows (i.e., transfer/processor B receives a mixed inflow from transfer/processor A of both jurisdictions X and Y, rather than transfer/processor B receives two inflows from A, one each for jurisdiction X and Y). However, based on stakeholder feedback, some transfer/processors receiving tons from other transfer/processors do in fact keep track of inflows separately by jurisdiction, and then do send those received tons to different destinations depending on jurisdiction. To facilitate this reporting in RDRS, these regulatory updates require transfer/processors to report tons received from another transfer/processor as direct haul, if such tons will be sent to different destinations based on jurisdiction of origin.

#### *Subsection (a)(1)(C)*

These amendments have two purposes. First, the changes correct an error in a reference to subsection 18815.3(d). This amendment is necessary because the existing regulations cite the incorrect paragraph in section 18815.3(d). The updated regulations cite the correct paragraph, changing the citation from subsection 18815.3(d)(4) to subsection 18815.3(d)(5). Second, the updates change how the jurisdiction of origin for residuals is determined. The existing regulations require jurisdiction to be host assigned to the jurisdiction in which the facility is located, whereas the updated regulations allow jurisdiction of origin for residuals to be determined using alternative methods, which are described in subsection 18815.9(b)(2.4). These alternatives are necessary because the host assigned jurisdiction may not reflect the actual origination location of the residuals. The

updated methods may better capture the actual jurisdiction of origin, thereby increasing accuracy of data in RDRS.

*Subsection (a)(1)(D)*

The purpose of this regulatory change is to require transfer/processors to report collection method to CalRecycle, using the methods described in subsection 18815.9(l). SB 343 (PRC section 42355.51(d)(1)) requires CalRecycle to gather collection method about material that ultimately "becomes feedstock used in the production of new products or packaging" (PRC section 42355.51(b)(1)). Therefore, this regulatory change is necessary to allow CalRecycle to require transfer/processors that handle such materials to report in RDRS how those materials were collected. Because tonnage accepted may vary by collection method, which could imply variable success of recovery programs, it is important to gather tons for each collection method. Subsection 18815.5(a)(1)(D) uses language, "for purposes other than disposal or potential beneficial reuse," rather than language such as, "for purposes of recycling," so that it does not exclude tons that reporting entities may accept for unanticipated forms of recovery.

*Subsection (a)(2)(C)(ii) and (iii)*

The purpose of these amendments is to clarify how material sent to broker/transporters should be reported when the broker/transporter receives the material inside versus outside of California. These regulatory changes are necessary to account for how brokers and transporters operate. Namely, broker/transporters do not operate static facilities within California but instead arrange the movement of materials. Brokers and transporters who take control of material (i.e., acquire the ability to determine the destination of the material) within California are effectively operating within California, whereas brokers and transporters who take control of material outside of California are out of state destinations. The proposed regulations clarify that transfer/processors must report the specific destination broker/transporter for tons sent to broker/transporters within California, but for tons sent to broker/transporters outside of California, transfer/processors must report only the destination region. These changes thus align transfer/processor reporting with existing regulations in subsections 18815.9(j)(7) and (9), while also maintaining the existing requirements relating to material type that are stated in subsection 18815.9(a).

*Subsection (a)(3), header*

The purpose of these changes is to reword the language of paragraph (3) for clarity. Note that the only types of beneficial reuse streams are "green" and "non-green." Thus, the original language of "all other potential beneficial reuse" is equivalent to "non-green potential beneficial reuse" since "green" beneficial reuse is already listed. CalRecycle, however, determined that specifically listing "non-green"

beneficial reuse would be clearer. These changes are nonsubstantive and without regulatory effect.

*Subsection (a)(3)(D) and (E)*

The purpose of these amendments is to add composting as an outflow option for tons sent to transfer/processors or disposal facilities inside or outside California. Existing regulations allow reporting transfer/processors to send recycling to disposal facilities and transfer/processors that are either inside California (18815.5(a)(3)(D)) or outside California (18815.5(a)(3)(E)). However, transfer/processors can handle both recyclable and compostable materials, and destination transfer/processors and disposal facilities can have both onsite recyclers and composters. Thus, the regulations need to allow transfer/processors to send both recycling and composting to destination transfer/processors and disposal facilities.

*Subsection (a)(4)*

The purpose of this new paragraph is to require that transfer/processors report tons of exported mixed plastic waste to CalRecycle. Transfer/processors will report two attributes of the exported mixed plastic waste: one, the tons of each material type sent to each destination region, and two, the tons sent from each jurisdiction of origin across all material types and destination regions. Material type and destination region are necessary so that CalRecycle can obtain an accurate assessment of exported mixed plastic waste materials, which will improve CalRecycle's ability to monitor progress towards reducing disposal of different plastics. CalRecycle is requiring destination region, rather than specific location, to minimize reporting burden while still gathering destination information for exported materials. Collecting jurisdiction of origin for exported mixed plastic waste is necessary because AB 881 (PRC section 41821.5(b)(4)) requires entities exporting mixed plastic waste to report the jurisdiction of origin for those tons to CalRecycle. CalRecycle is gathering jurisdiction of origin for total exported tons (rather than separately for each destination region or material type of the tons sent) to reduce reporting burden while still collecting the needed information. These proposed regulatory changes are set to take effect in reporting period 4 of 2024 because reporting entities will need time to implement new data collection protocols, CalRecycle will need time to alter the online RDRS user-interface appropriately, and CalRecycle does not want these changes to retroactively apply to earlier reporting periods.

*Subsection (d)(1) and (d)(2), header*

The purpose of these changes is to clarify that these paragraphs apply to permitted transfer/processing facilities (permitted pursuant to Article 1 of Chapter 3 of Part 4 of Division 30 of the Public Resources Code). These alterations are necessary because sometimes disposal facilities will report as a transfer/processor for the

purposes of the RDRS regulations, but these facilities may not be permitted as transfer/processors and so would not need to follow subdivision (d).

*Subsection (d)(1)(B)*

This paragraph explains that transfer/processors are required to report in RDRS the sum of a particular metric, where the metric is determined pursuant to CCR, Title 14, subsection 17409.5.1(c)(2). The change to this paragraph, adding the word "removed," simply aligns the RDRS regulations with the terminology used in subsection 17409.5.1(c)(2). Material "removed from" the stream and sent to disposal has the same meaning as material "from" the stream and sent to disposal, and thus this change is nonsubstantive and without regulatory effect.

*Subsection (d)(2)(B)*

The purpose of this change is to correct the information that transfer/processors are required to report to CalRecycle regarding the source-separated organic waste collection stream. This amendment is necessary because the original regulations erroneously stated that transfer/processors should report material recovered from the source-separated organic waste stream, but that requirement is specified in subsection (d)(2)(A). Instead, (d)(2)(B) should have required transfer/processors to report source-separated organic tons that were "sent to disposal," which the regulatory updates will implement. Note that the word "recovered" has been replaced with "removed" because materials are not "recovered" if they are sent to disposal. CalRecycle needs to collect both recovered [(d)(2)(A)] and disposed [(d)(2)(B)] tons in order to calculate a recovery rate, as required by subdivision (f) of section 18815.5.

*Subsection (e)(1) through (3)*

The purpose of these amendments is to clarify how CalRecycle will calculate a transfer/processor's recovery efficiency and annual average mixed waste organic content recovery rate. These changes are necessary because the existing regulations were unclear on the exact method that CalRecycle was required to use. First, the regulations were unclear on whether CalRecycle would calculate the annual recovery rate either by averaging four quarters' recovery efficiency values or by using the total tonnages from the four quarters to calculate a grand total recovery efficiency. CalRecycle will do the latter. Second, the updates clarify that CalRecycle may use the last four reported quarters (rather than the last four consecutive quarters), which was necessary because a transfer/processor may obtain a waiver pursuant to CCR, title 14, section 18984.13. Paragraph (3) is deleted because it is unnecessary and contradictory with the amendments to Paragraphs (1) and (2).

*Subsection (f)(1) and (2)*

The purpose of these updates is to clarify how CalRecycle will calculate a transfer/processor's recovery efficiency and annual average source separated organic content recovery rate. These changes are necessary because the existing regulations were unclear on the exact method that CalRecycle was required to use. First, the regulations were unclear on whether CalRecycle would calculate the annual recovery rate either by averaging four quarters' recovery efficiency values or by using the total tonnages from the four quarters to calculate a grand total recovery efficiency. CalRecycle will do the latter. Second, the updates clarify that CalRecycle may use the last four reported quarters (rather than the last four consecutive quarters), which was necessary because a transfer/processor may obtain a waiver pursuant to CCR, Title 14, section 18984.13.

*Subsection (g)(1)*

The purpose of this regulatory change is to clarify what transfer/processors report to CalRecycle regarding the gray container waste evaluation sample required by CCR, Title 14, section 17409.5.7. This amendment is necessary because the existing language said that transfer/processors should report the "average" ratio of remnant organic waste to non-organic waste from the gray container "samples," but section 17409.5.7 says that transfer/processors need conduct only one sample. Thus, there is no average. Transfer/processors would report the single value that they determine.

*Subsection (h), header*

The purpose of this subdivision is to dictate the information that transfer/processors must provide to destination reporting entities for tons sent, rather than in their report to CalRecycle. This new subdivision is necessary because existing regulations specify only what transfer/processors should report to CalRecycle, but several scenarios require transfer/processors to provide information to destination entities for tons sent (discussed in the (h)(1) through (h)(3) sections of the ISOR, below).

*Subsection (h)(1)*

The purpose of this paragraph is to dictate what transfer/processors (the "sender") must provide to destination entities (the "recipient") for outflows of solid waste and green material for potential beneficial reuse. This paragraph is necessary because the changes to subsection 18815.5(a)(1)(A) require a recipient transfer/processor to report inflows from a sending transfer/processor as direct haul under a specific situation (see ISOR Subsection (a)(1)(A) for further discussion). Solid waste and green material for potential beneficial reuse accepted from direct haul require jurisdiction of origin (subsection 18815.5(a)(1)(B)). Thus, for the recipient transfer/processor to be able to satisfy reporting obligations, the recipient must be able to obtain jurisdiction of origin from the sender, which this paragraph allows.

This paragraph allows recipient disposal facilities, in addition to recipient transfer/processors, to obtain origins information from the sending transfer/processor in case an analogous situation arises for recipient disposal facilities.

*Subsection (h)(2)*

The purpose of this paragraph is to dictate what "focal" transfer/processors must provide to destination entities for outflows of recycling, composting, and brokering/transporting. This paragraph is necessary because when a focal transfer/processor sends an outflow of recycling, composting, or brokering/transporting, the destination that receives the outflow (or subsequent secondary destinations) may not recover the entirety of the materials. Instead, some portion of the materials may be left-over and eventually sent to disposal or green material for potential beneficial reuse. In this scenario, the left-over solid waste or green material for potential beneficial reuse will be sent to a transfer/processor or disposal facility. The recipient transfer/processor or disposal facility will have to report jurisdiction of origin for these materials (subsections 18815.5(a)(1)(B), 18815.6(a)(2)(A), and 18815.6(c)(2)). To do so, the recipient must acquire the jurisdictions of origin from the sending entity. For the sending entity to have the jurisdictions of origin to give to the recipient, the focal transfer/processor must have given the jurisdictions of origin to that "sending" entity (a destination from the perspective of the focal transfer/processor). Thus, this paragraph allows destinations to obtain jurisdictions of origin from focal transfer/processors. Transferring jurisdiction of origin pursuant to this paragraph will increase the accuracy of the jurisdictions of origin reported to CalRecycle. For solid waste and green material for potential beneficial reuse that transfer/processors and disposal facilities receive from reporting entities other than transfer/processors, existing regulations (subsection 18815.9(b)(4)) automatically assign jurisdiction of origin to the sending facility's location (i.e., "host assignment"), which may differ from the true jurisdiction. The proposed regulations will allow entities to pass along more accurate jurisdiction information, rather than relying on destination entities host assignment of tons.

*Subsection (h)(3)*

The purpose of this paragraph is to dictate that a transfer/processor (the "sending" entity) must provide jurisdiction of origin to destination reporting entities for mixed plastic sent. This paragraph is necessary because AB 881 (PRC section 41821.5(b)(4)) requires an entity that exports mixed plastic to report jurisdiction of origin information to CalRecycle. That is only possible, however, if the exporting entity receives origin information from the entity from which it received the materials (the sending entity). Therefore, this paragraph requires the sending entity to provide that information. Because sending entities do not necessarily know whether mixed plastic will ultimately be exported, this requirement reasonably must apply to all mixed plastic sent. These proposed regulatory changes are set to take effect in reporting period 4 of 2024 because mixed plastic waste export will be

reported to CalRecycle starting in that quarter (e.g., subsection 18815.5(a)(4)), so transfer/processors will need to start transferring origins for mixed plastic in reporting period 4 of 2024.

## *Section 18815.6*

### *Subsection (a)(2)(E)*

These amendments have two purposes. First, the changes correct an error in a reference to subsection 18815.3(d). This amendment is necessary because the existing regulations cite the incorrect paragraph in section 18815.3(d). The updated regulations cite the correct paragraph, changing the citation from subsection 18815.3(d)(5) to subsection 18815.3(d)(6). Second, the updates change how the jurisdiction of origin for residuals is determined. The existing regulations require jurisdiction to be host assigned to the jurisdiction in which the facility is located, whereas the updated regulations allow jurisdiction of origin for residuals to be determined using alternative methods, which are described in subsection 18815.9(b)(2.4). These alternatives are necessary because the host assigned jurisdiction may not reflect the actual origination location of the residuals. The updated methods may better capture the actual jurisdiction of origin, thereby increasing accuracy of data in RDRS.

### *Subsection (b), header*

The purpose of these regulatory amendments is to clarify what material is to be considered as generated by the disposal facility (i.e., generated on-site). These changes are necessary because subsection 18815.6(b)(3) stipulates different reporting for materials that are not considered to be generated on-site and are of the solid waste, designated waste, disaster debris, or potential beneficial reuse streams. Thus, the regulations need to be clear about what it means for material to be generated by a disposal facility.

### *Subsection (b)(1)*

The purpose of this amendment is to clarify that paragraph (1) applies to both solid waste and material for potential beneficial reuse. The existing language of paragraph (1) tells stakeholders to "report the tons sent for disposal or potential beneficial reuse," but the introductory clause of paragraph (1) mentions only solid waste. This regulatory change thus eliminates confusion by including "potential beneficial reuse" within the introductory clause of the paragraph. This change does not have any regulatory affect and should simply further clarify required reporting.

*Subsection (b)(2)(C)(ii) and (iii)*

The purpose of these amendments is to clarify how material sent to broker/transporters should be reported when the broker/transporter receives the material inside versus outside of California. These regulatory changes are necessary to account for how brokers and transporters operate. Namely, broker/transporters do not operate static facilities within California but instead arrange the movement of materials. Brokers and transporters who take control of material (i.e., acquire the ability to determine the destination of the material) within California are effectively operating within California, whereas brokers and transporters who take control of material outside of California are out of state destinations. The new regulations clarify that disposal facilities must report the specific destination broker/transporter for tons sent to broker/transporters within California, but for tons sent to broker/transporters outside of California, disposal facilities must report only the destination region. These changes thus align disposal facility reporting with existing regulations in subsections 18815.9(j)(7) and (9), while also maintaining the existing requirements relating to material type that are stated in subsection 18815.9(a).

*Subsection (b)(3)*

The purpose of these updates is to clarify how a disposal facility should register and report for material that it receives and directly transfers. This update is necessary because if a disposal facility receives and transfers material, then the disposal facility is acting as a transfer station and should register and report as a transfer/processor. The regulatory updates – that such registration and reporting applies only to solid waste, designated waste, disaster debris, and material for potential beneficial reuse – are necessary because disposal facilities have the same reporting requirements as transfer/processors for material sent within the brokering/transporting, recycling/composting, and mixed plastic waste export streams (compare subsections 18815.6(b)(2) and 18815.6(b)(4) with subsections 18815.5(a)(2) through 18815.5(a)(4)), so it is unnecessary for disposal facilities to register as transfer/processors for tons received and transferred within those streams. The other changes in paragraph (3) simply reword the existing language for clarity and do not change reporting requirements. Specifically, existing language noted that disposal facilities should report as a transfer/processor for the materials covered by this paragraph (18815.6(b)(3)). Proposed changes to the language further clarify this requirement.

*Subsection (b)(4)*

The purpose of this new paragraph is to require that disposal facilities report tons of exported mixed plastic waste to CalRecycle. Disposal facilities will report two attributes of the exported mixed plastic waste: one, the tons of each material type sent to each destination region, and two, the tons sent from each jurisdiction of origin across all material types and destination regions. Material type and destination region are necessary so that CalRecycle can obtain an accurate



assessment of exported mixed plastic materials, which will improve CalRecycle's ability to monitor progress towards reducing disposal of different plastics. CalRecycle is requiring destination region, rather than specific location, to minimize reporting burden while still gathering destination information for exported materials. Collecting jurisdiction of origin for exported mixed plastic waste is necessary because AB 881 (PRC section 41821.5(b)(4)) requires entities exporting mixed plastic waste to report the jurisdiction of origin for those tons to CalRecycle. CalRecycle is gathering jurisdiction of origin for total exported tons (rather than separately for each destination region or material type of the tons sent) to reduce reporting burden while still collecting the needed information. These proposed regulatory changes are set to take effect in reporting period 4 of 2024 because reporting entities will need time to implement new data collection protocols, CalRecycle will need time to alter the online RDRS user-interface appropriately, and CalRecycle does not want these changes to retroactively apply to earlier reporting periods.

#### *Subsection (f)*

The purpose of this regulatory change is to require disposal facilities to report collection method to CalRecycle, using the methods described in subsection 18815.9(l). SB 343 (PRC section 42355.51(d)(1)) requires CalRecycle to gather collection method about material that ultimately "becomes feedstock used in the production of new products or packaging" (PRC section 42355.51(b)(1)). Therefore, this regulatory change is necessary to allow CalRecycle to require disposal facilities that handle such materials to report in RDRS how those materials were collected. Because tonnage accepted may vary by collection method, which could imply variable success of recovery programs, it is important to gather tons for each collection method. Subsection 18815.6(f) uses language, "for purposes other than disposal or potential beneficial reuse," rather than language such as, "for purposes of recycling," so that it does not exclude tons that disposal facilities may accept for unanticipated forms of recovery.

#### *Subsection (g), header*

The purpose of this subdivision is to dictate the information that disposal facilities must provide to destination reporting entities for tons sent, rather than in their report to CalRecycle. This new subdivision is necessary because existing regulations specify only what disposal facilities should report to CalRecycle, but several scenarios require disposal facilities to provide information to destination entities for tons sent (discussed in the (g)(1) through (g)(3) sections of the ISOR, below).

#### *Subsection (g)(1)*

The purpose of this paragraph is to dictate what disposal facilities (the "sender") must provide to destination entities (the "recipient") for outflows of solid waste and

green material for potential beneficial reuse. This paragraph is necessary because disposal facilities may rarely generate solid waste and green material for potential beneficial reuse, sending that generated material to a transfer/processor or another disposal facility. When the recipient transfer/processor or disposal facility reports that solid waste or green material for potential beneficial reuse to CalRecycle, the recipient must report the jurisdictions of origin for the material (subsections 18815.5(a)(1)(A), 18815.6(a)(2)(A), and 18815.6(c)(2)). Thus, for the recipient transfer/processor or disposal facility to be able to satisfy reporting obligations, the recipient must be able to obtain jurisdiction of origin from the sender, which this paragraph allows.

#### *Subsection (g)(2)*

The purpose of this paragraph is to dictate what "focal" disposal facilities must provide to destination entities for outflows of recycling, composting, and brokering/transporting. This paragraph is necessary because when a focal disposal facility sends an outflow of recycling, composting, or brokering/transporting, the destination that receives the outflow (or subsequent secondary destinations) may not recover the entirety of the materials. Instead, some portion of the materials may be left-over and eventually sent to disposal or green material for potential beneficial reuse. In this scenario, the left-over solid waste or green material for potential beneficial reuse will be sent to a transfer/processor or disposal facility. The recipient transfer/processor or disposal facility will have to report jurisdiction of origin for these materials (subsections 18815.5(a)(1)(B), 18815.6(a)(2)(A), and 18815.6(c)(2)). To do so, the recipient must acquire the jurisdictions of origin from the sending entity. For the sending entity to have the jurisdictions of origin to give to the recipient, the focal disposal facility must have given the jurisdictions of origin to that "sending" entity (a destination from the perspective of the focal disposal facility). Thus, this paragraph allows destinations to obtain jurisdictions of origin from focal disposal facilities. Transferring jurisdiction of origin pursuant to this paragraph will increase the accuracy of the jurisdictions of origin reported to CalRecycle. For solid waste and green material for potential beneficial reuse that transfer/processors and disposal facilities receive from reporting entities other than transfer/processors, existing regulations (subsection 18815.9(b)(4)) automatically assign jurisdiction of origin to the sending facility's location (i.e., "host assignment"), which may differ from the true jurisdiction. The proposed regulations will allow entities to pass along more accurate jurisdiction information, rather than relying on destination entities' host assignment of tons.

#### *Subsection (g)(3)*

The purpose of this paragraph is to dictate that a disposal facility (the "sending" entity) must provide jurisdiction of origin to destination reporting entities for mixed plastic sent. This paragraph is necessary because AB 881 (PRC section

41821.5(b)(4)) requires an entity that exports mixed plastic to report jurisdiction of origin information to CalRecycle. That is only possible, however, if the exporting entity receives origin information from the entity from which it received the materials (the sending entity). Therefore, this paragraph requires the sending entity to provide that information. Because sending entities do not necessarily know whether mixed plastic will ultimately be exported, this requirement reasonably must apply to all mixed plastic waste sent. These proposed regulatory changes are set to take effect in reporting period 4 of 2024 because mixed plastic waste export will be reported to CalRecycle starting in that quarter (e.g., subsection 18815.6(b)(4)), so disposal facilities will need to start transferring origins for mixed plastic in reporting period 4 of 2024.

### *Section 18815.7*

#### *Subsection (a)(5)(B) and (C)*

The purpose of these amendments is to clarify how material sent to broker/transporters should be reported when the broker/transporter receives the material inside versus outside California. These regulatory changes are necessary to account for how brokers and transporters operate. Namely, broker/transporters do not operate static facilities within California but instead arrange the movement of materials. Brokers and transporters who take control of material (i.e., acquire the ability to determine the destination of the material) within California are effectively operating within California, whereas brokers and transporters who take control of material outside of California are out of state destinations. The proposed regulations clarify that recycler/composters must report the specific destination broker/transporter for tons sent to broker/transporters within California. These changes thus align recycler/composter reporting with existing regulations in subsections 18815.9(j)(7) and (9), while also maintaining the existing requirements relating to material type that are stated in subsection 18815.9(a).

#### *Subsection (a)(7)*

The purpose of this regulatory change is to require recycler/composters to report collection method to CalRecycle, using the methods described in subsection 18815.9(l). SB 343 (PRC subsection 42355.51(d)(1)(A)(i)) requires CalRecycle to gather collection method about materials that ultimately "become feedstock used in the production of new products or packaging" (PRC section 42355.51(b)(1)). Therefore, this regulatory change is necessary to allow CalRecycle to require recycler/composters that handle such materials to report in RDRS how those materials were collected. Because tonnage accepted may vary by collection method, which could imply variable success of recovery programs, it is important to gather tons for each collection method. Since recyclers and composters, by definition, accept material for recycling and composting, the regulations require these entities to gather and report to CalRecycle collection method for tons accepted for recycling and composting.

#### Subsection (a)(8)

The purpose of this new paragraph is to require that recycler/composters report tons of exported mixed plastic waste to CalRecycle. Recycler/composters will report two attributes of the exported mixed plastic waste: one, the tons of each material type sent to each destination region, and two, the tons sent from each jurisdiction of origin across all material types and destination regions. Material type and destination region are necessary so that CalRecycle can obtain an accurate assessment of exported mixed plastic waste materials, which will improve CalRecycle's ability to monitor progress towards reducing disposal of different plastics. CalRecycle is requiring destination region, rather than specific location, to minimize reporting burden while still gathering destination information for exported materials. Collecting jurisdiction of origin for exported mixed plastic waste is necessary because AB 881 (PRC section 41821.5(b)(4)) requires entities exporting mixed plastic waste to report the jurisdiction of origin for those tons to CalRecycle. CalRecycle is gathering jurisdiction of origin for total exported tons (rather than separately for each destination region or material type of the tons sent) to reduce reporting burden while still collecting the needed information. These proposed regulatory changes are set to take effect in reporting period 4 of 2024 because reporting entities will need time to implement new data collection protocols, CalRecycle will need time to alter the online RDRS user-interface appropriately, and CalRecycle does not want these changes to retroactively apply to earlier reporting periods.

#### *Subsection (g)*

The purpose of this subdivision is to dictate the information that recycler/composters must provide to destination reporting entities for tons sent, rather than in their report to CalRecycle. This new subdivision is necessary because the existing regulations specify only what recycler/composters should report to CalRecycle, but several scenarios may necessitate that recycler/composters provide information to destination entities for tons sent (discussed in the (g)(1) and (g)(2) sections of the ISOR, below).

#### *Subsection (g)(1), g(1)(A), and (g)(1)(B)*

The purpose of this paragraph is to dictate what recycler/composters may elect to provide to destination entities for outflows of solid waste, green material for potential beneficial reuse, recycling, composting, and brokering/transporting. This paragraph is necessary because when a recycler/composter sends an outflow of recycling, composting, or brokering/transporting, the destination that receives the outflow (or subsequent secondary destinations) may not recover the entirety of the materials. Instead, some portion of the materials may be left-over and eventually sent to disposal or green material for potential beneficial reuse. In this scenario, the left-over solid waste or green material for potential beneficial reuse will be sent to a transfer/processor or disposal facility. For such left-over tons, as well as solid waste

and green material for potential beneficial reuse that the recycler/composter itself sends to a transfer/processor disposal facility, the recipient transfer/processor or disposal facility will have to report jurisdiction of origin for these materials (subsections 18815.5(a)(1)(B), 18815.6(a)(2)(A), and 18815.6(c)(2)). To do so, the recycler/composter will have had to transfer the jurisdiction of origin for outbound materials to the recipient, which likewise needs to pass along the jurisdiction of origin. Transferring jurisdiction of origin pursuant to this paragraph will increase the accuracy of the jurisdictions of origin that is ultimately reported to CalRecycle. For solid waste and green material for potential beneficial reuse that transfer/processors and disposal facilities receive from reporting entities other than transfer/processors, existing regulations [subsection 18815.9(b)(4)] automatically assign jurisdiction of origin to the sending facility's location (i.e., "host assignment"), which may differ from the true jurisdiction. The proposed regulations will allow entities to pass along more accurate jurisdiction information, rather than relying on destination entities' host assignment of tons. Note that the proposed regulations allow this behavior, rather than require, because PRC section 41821.5(b)(3) prohibits CalRecycle from requiring jurisdiction of origin information from recycler/composters.

#### *Subsection (g)(2)*

The purpose of this paragraph is to dictate that a recycler/composter (the "sending" entity) must provide jurisdiction of origin to destination reporting entities for mixed plastic sent. This paragraph is necessary because AB 881 (PRC section 41821.5(b)(4)) requires an entity that exports mixed plastic to report jurisdiction of origin information to CalRecycle. That is only possible, however, if the exporting entity receives origin information from the entity from which it received the materials (the sending entity). Therefore, this paragraph requires the sending entity to provide that information. Because sending entities do not necessarily know whether mixed plastic will ultimately be exported, this requirement reasonably must apply to all mixed plastic sent. These proposed regulatory changes are set to take effect in reporting period 4 of 2024 because mixed plastic waste export will be reported to CalRecycle starting in that quarter (e.g., subsection 18815.7(a)(8)), so recycler/composters will need to start transferring origins for mixed plastic in reporting period 4 of 2024.

#### *Section 18815.8*

##### *Subsection (a)(4)(B) and (C)*

The purpose of these amendments is to clarify how material sent to broker/transporters should be reported when the broker/transporter receives the material inside versus outside of California. These regulatory changes are necessary to account for how brokers and transporters operate. Namely, broker/transporters

do not operate static facilities within California but instead arrange the movement of materials. Brokers and transporters who take control of material (i.e., acquire the ability to determine the destination of the material) within California are effectively operating within California, whereas brokers and transporters who take control of material outside of California are out of state destinations. The new regulations clarify that broker/transporters must report the specific destination broker/transporter for tons sent to broker/transporters within California, but for tons sent to broker/transporters outside of California, broker/transporters must report only the destination region. These changes thus align broker/transporter reporting with existing regulations in subsections 18815.9(j)(7) and (9), while also maintaining the existing requirements relating to material type that are stated in subsection 18815.9(a).

#### *Subsection (a)(6)*

The purpose of this regulatory change is to require broker/transporters to report collection method to CalRecycle, using the methods described in subsection 18815.9(l). SB 343 (PRC subsection 42355.51(d)(1)(A)(i)) requires CalRecycle to gather collection method about materials that ultimately "become feedstock used in the production of new products or packaging" (PRC section 42355.51(b)(1)). Therefore, this regulatory change is necessary to allow CalRecycle to require broker/transporters that handle such materials to report in RDRS how those materials were collected. Because tonnage accepted may vary by collection method, which could imply variable success of recovery programs, it is important to gather tons for each collection method. Subsection 18815.8(a)(6) uses language, "for purposes other than disposal or potential beneficial reuse," rather than language such as, "for purposes of recycling," so that it does not exclude tons that broker/transporters may accept and transfer as well as unanticipated forms of recovery. Broker/transporters report collection method for tons sent, rather than tons received, because brokers and transporters are not processing facilities, but rather entities who arrange transport.

#### *Subsection (a)(7)*

The purpose of this new paragraph is to require that broker/transporters report tons of exported mixed plastic waste to CalRecycle. Broker/transporters will report two attributes of the exported mixed plastic waste: one, the tons of each material type sent to each destination region, and two, the tons sent from each jurisdiction of origin across all material types and destination regions. Material type and destination region are necessary so that CalRecycle can obtain an accurate assessment of exported mixed plastic waste materials, which will improve CalRecycle's ability to monitor progress towards reducing disposal of different plastics. CalRecycle is requiring destination region, rather than specific location, to minimize reporting burden while still gathering destination information for exported materials. Collecting jurisdiction of origin for exported mixed plastic waste is necessary because AB 881 (PRC section 41821.5(b)(4)) requires entities exporting mixed plastic waste to report the jurisdiction of origin for those tons to CalRecycle.

CalRecycle is gathering jurisdiction of origin for total exported tons (rather than separately for each destination region or material type of the tons sent) to reduce reporting burden while still collecting the needed information. These proposed regulatory changes are set to take effect in reporting period 4 of 2024 because reporting entities will need time to implement new data collection protocols, CalRecycle will need time to alter the online RDRS user-interface appropriately, and CalRecycle does not want these changes to retroactively apply to earlier reporting periods.

*Subsection (d)*

The purpose of this subdivision is to dictate the information that broker/transporters must provide to destination reporting entities for tons sent, rather than in their report to CalRecycle. This new subdivision is necessary because existing regulations specify only what broker/transporters should report to CalRecycle, but several scenarios may necessitate that broker/transporters provide information to destination entities for tons sent (discussed in the (d)(1) and (d)(2) sections of the ISOR, below).

*Subsection (d)(1), all of it*

The purpose of this paragraph is to dictate what broker/transporters may elect to provide to destination entities for outflows of solid waste, green material for potential beneficial reuse, recycling, composting, and brokering/transporting. This paragraph is necessary because when a broker/transporter sends an outflow of recycling, composting, or brokering/transporting, the destination that receives the outflow (or subsequent secondary destinations) may not recover the entirety of the materials. Instead, some portion of the materials may be left-over and eventually sent to disposal or green material for potential beneficial reuse. In this scenario, the left-over solid waste or green material for potential beneficial reuse will be sent to a transfer/processor or disposal facility. For such left-over tons, as well as solid waste and green material for potential beneficial reuse that the broker/transporter itself sends to a transfer/processor disposal facility, the recipient transfer/processor or disposal facility will have to report jurisdiction of origin for these materials (subsections 18815.5(a)(1)(B), 18815.6(a)(2)(A), and 18815.6(c)(2)). To do so, the broker/transporter will have had to transfer the jurisdiction of origin for outbound materials to the recipient, which likewise needs to pass along the jurisdiction of origin. Transferring jurisdiction of origin pursuant to this paragraph will increase the accuracy of the jurisdictions of origin reported to CalRecycle. For solid waste and green material for potential beneficial reuse that transfer/processors and disposal facilities receive from reporting entities other than transfer/processors, existing regulations (subsection 18815.9(b)(4)) automatically assign jurisdiction of origin to the sending facility's location (i.e., "host assignment"), which may differ from the true jurisdiction. The proposed regulations will allow entities to pass along more accurate jurisdiction information, rather than

relying on destination entities' host assignment of tons. Note that the proposed regulations allow this behavior, rather than require, because PRC section 41821.5(b)(3) prohibits CalRecycle from requiring jurisdiction of origin information from broker/transporters.

#### *Subsection (d)(2)*

The purpose of this paragraph is to dictate that a broker/transporter (the "sending" entity) must provide jurisdiction of origin to destination reporting entities for mixed plastic sent. This paragraph is necessary because AB 881 (PRC section 41821.5(b)(4)) requires an entity that exports mixed plastic to report jurisdiction of origin information to CalRecycle. That is only possible, however, if the exporting entity receives origin information from the entity from which it received the materials (the sending entity). Therefore, this paragraph requires the sending entity to provide that information. Because sending entities do not necessarily know whether mixed plastic will ultimately be exported, this requirement reasonably must apply to all mixed plastic sent. These proposed regulatory changes are set to take effect in reporting period 4 of 2024 because mixed plastic waste export will be reported to CalRecycle starting in that quarter (e.g., subsection 18815.8(a)(7)), so broker/transporters will need to start transferring origins for mixed plastic in reporting period 4 of 2024.

#### *Section 18815.9*

##### *Subsection (a), header*

The purpose of this amendment is to clarify existing regulations and to highlight that this section explains both material stream and type. Material types (e.g., subsection 18815.9(a)(2)), which are nested within material streams (e.g., subsection 18815.9(j)). Therefore, this language change is necessary so that stakeholders know that this subdivision contains regulations applicable to both material stream and type.

##### *Subsection (a)(0.4) and (0.5)*

The purpose of these changes is to explain the materials that should be classified into the solid waste material stream. These amendments are necessary because AB 939 requires the jurisdictions of origin for solid waste disposed. Therefore, regulations need to be explicit about what counts as solid waste.



*Subsection (a)(1), header*

The purpose of this amendment is to clarify that reporting requirements for material type vary according to type of reporting entity and material stream. Existing regulations effectively dictate that requirements vary by stream and reporting entity, but regulations did not clearly say so. This change is necessary as it makes that structure explicit.

*Subsections (a)(1)(B), (a)(1)(C), (a)(1)(D), (a)(1)(D)(i), and (a)(1)(D)(ii)*

The purpose of these updates is to specify how material type is to be reported by specific reporting entities within specific material streams. Existing regulations effectively dictate that requirements vary by stream and reporting entity, but regulations could more clearly say how requirements varied. These changes are necessary as they make these requirements more explicit for the reporting community by clearly articulating the specific types of entities that must report to whom and by what material type and material stream.

*Subsection (a)(2)(A) and (B), insertion*

The purpose of these amendments is to provide more examples for what the regulations mean by material type, specifically including more examples of forms (e.g., bottles). This update is necessary because SB 343 (PRC subsection 42355.51(d)(1)(A)(i)) requires CalRecycle to collect information on material forms. These regulatory changes clarify that material type information reported in RDRS should include the forms of the material type.

*Subsection (a)(2)(B) and (C), deletion*

The purpose of these updates is to delete the language in subsections 18815.9(a)(2)(B) and (C) specifying that entities are not required to further characterize material. This update is necessary because additional changes in subsection 18815.9(a)(2)(D), require that entities additionally characterize materials in specific circumstances. CalRecycle therefore deleted the language in subsection 18815.9(a)(2)(B) so as not to conflict with the new subsection 18815.9(a)(2)(D).

*Subsection (a)(2)(D), deletion*

The purpose of this amendment is to delete the paragraph to improve the overall organization of subdivision (a) and to clarify reporting. This amendment is necessary because the deleted language says that material type is not reported for tons within the solid waste stream. However, whether entities report material type for solid waste depends on the entity activity type. Subsection 18815.9(a)(1)(B), for example, requires that broker/transporters and recycler/composters provide

material type for all materials sent, including residual solid waste. On the other hand, subsection 18815.9(a)(1)(D) requires that contract haulers, transfer/processors, and disposal facilities report the material type of tons in the solid waste stream as just solid waste. It was therefore necessary to remove subsection 18815.9(a)(2)(D) because it conflicted with other regulations.

*Subsection (a)(2)(D), addition*

The purpose of this new paragraph is to collect material type information about flows of mixed materials. This paragraph is necessary because AB 901 (PRC section 41821.5(b)) and SB 343 (PRC subsection 42355.51(d)(1)(A)(i)) require information about material types. Many entities currently report outflows of "mixed recyclables" and other heterogeneous categories without reporting specific materials. This change will ensure that RDRS collects information about the specific materials moving through entities in the state. Assuming that entities send outflows of mixed materials, this regulatory change requires only the list of materials, rather than tons for each material, to minimize reporting burden for the regulated community. This paragraph also gives reporting entities the ability to certify that they cannot provide a list of materials due to not having information on specific materials. To ensure that reporting entities do not provide false certification, the paragraph notes that false certification will be subject to penalties (i.e., section 18815.10). These proposed regulatory changes are set to take effect in reporting period 4 of 2024 because reporting entities will need time to implement new data collection protocols, CalRecycle will need time to alter the online RDRS user-interface appropriately, and CalRecycle does not want these changes to retroactively apply to earlier reporting periods.

*Subsection (b), header, no regulatory effect*

The purpose of this amendment, replacing "required by" with "reporting information pursuant to," is to update the language to clarify that subdivision (b) applies when reporting required information pursuant to Article 9.25. This change is nonsubstantive and without regulatory effect.

*Subsection (b), header, regulatory effect*

The purpose of this change, deleting "for material sent to disposal or for green material beneficial reuse," is to remove the specification that the methods of subdivision (b) apply to solid waste and green material beneficial reuse. This amendment is necessary because without this removal, the methods of subdivision (b) would apply only to solid waste and green material. However, regulatory updates pursuant to AB 881 (18815.4(d)(3), 18815.5(a)(4), 18815.6(b)(4), 18815.7(a)(8), 18815.8(a)(7)) now require origins for more than solid waste and green material, requiring a change to subdivision (b).

### *Subsection (b)(1)*

The purpose of this update is to clarify that the methods of paragraph (1) apply to more material types than just solid waste. This amendment is necessary because without this removal, the methods of subparagraph (1)(A) through (D) would apply only to solid waste. However, pursuant to the new subsections 18815.4(c)(1) and 18815.4(d)(3), contract haulers need to provide to destination entities or report to CalRecycle the jurisdictions of origin for more than just solid waste. In order to do so, contract haulers need to be able to collect origins for those materials, requiring a change to paragraph (1).

### *Subsection (b)(2)*

The purpose of this amendment is to require that if transfer/processors or disposal facilities use other methods to determine jurisdiction of origin, that those methods are approved by CalRecycle pursuant to subsection 18815.9(m). Currently, using other methods does not require approval, which may result in the use of substandard or inappropriate methods. This change is necessary to ensure that used methods are appropriate and confirmed by CalRecycle.

### *Subsections (b)(2.4), (b)(2.4)(A), (b)(2.4)(B), and (b)(2.4)(C)*

The purpose of this new paragraph and new subparagraphs is to specify how transfer/processors and disposal facilities are required to determine jurisdiction of origin for material generated on-site. Currently, the existing language of subsection 18815.9(b)(4) requires these entities to determine jurisdiction of origin by host assigning it to the jurisdiction of origin in which the facility is located. However, facilities may receive tons from other jurisdictions. This change is necessary because if a facility processes inbound materials, generates left-over material from that processing that requires jurisdiction of origin, and the inbound materials were from a different jurisdiction than the facility itself, then these regulatory updates will allow facilities to report the jurisdiction of origin for the remainder material more accurately. To reduce burden on the regulated community, the regulations provide multiple options for determining jurisdiction, including the original host assignment method (i.e., subsection 18815.9(b)(2.4)(C)).

### *Subsection (b)(2.5)*

The purpose of this new paragraph is to provide recyclers, composters, brokers, and transporters methods to determine the jurisdiction of origin for accepted materials. This change is necessary because of the updates to the regulatory sections for these activity types (subsections 18815.7(a)(8) and (g) and 18815.8(a)(7) and (d)), which describe scenarios in which entities are required or may elect to determine jurisdiction of origin. If a recycler/composter or broker/transporter must or elects to determine of jurisdiction, the regulations need to provide mechanisms for the determination of jurisdiction of origin. To ease

regulatory burden, the proposed regulations allow the entities multiple means of determining jurisdiction of origin, including host assignment (i.e., assigning tons to the jurisdiction of the facility). Additionally, the proposed regulations will require that any other methods used to determine jurisdiction of origin are approved by CalRecycle pursuant to subsection 18815.9(m), thus ensuring that substandard or inappropriate methods are not used.

*Subsections (b)(2.6), (b)(2.6)(A), (b)(2.6)(B), (b)(2.6)(C), and (b)(2.6)(D)*

The purpose of this new paragraph and subparagraphs is to specify what a reporting entity should do if it receives materials from another reporting entity (the "sender") that require jurisdiction of origin, but the sender does not provide jurisdiction of origin. First, these proposed regulations tell the recipient reporting entity how to assign a jurisdiction of origin to the materials [subparagraph (A), (B), and (C)]. This amendment is necessary because if the sender does not provide a jurisdiction of origin, then the recipient reporting entity will nonetheless still need to have a jurisdiction of origin for the materials. Second, the proposed regulations (subparagraph (D)) require the recipient reporting entity to report the non-compliant sending entity to CalRecycle. This regulation is necessary because CalRecycle needs to know about entities that are not meeting regulatory obligations.

*Subsection (b)(3.5)*

The purpose of this paragraph is to explain how transfer/processors should determine jurisdiction of origin for outflows of recycling, composting, and brokering/transporting. When transfer/processors send such outflows, the destination facilities may need jurisdiction of origin if they generate residual solid waste, green material for potential beneficial reuse, or mixed plastic waste from the materials. In order to have this jurisdiction of origin information, the destination facility must have received it from the sending transfer/processor. This proposed regulation is therefore necessary because it explains how transfer/processors should calculate and pass on jurisdiction of origin to destination entities.

*Subsections (b)(4), (b)(4)(A), (b)(4)(B), and (b)(4)(C)*

The purposes of the amendment to the paragraph and the new subparagraphs are to clarify and add new options for how recyclers, composters, brokers, transporters, and disposal facilities should determine jurisdiction of origin for tons sent. These changes are necessary because existing regulations require the listed facilities to determine jurisdiction of origin by host assigning tons sent to the location in which the facility exists [subsection 18815.9(b)(4)]. CalRecycle has determined that such host assignment may not yield an accurate accounting of materials, especially if a facility processes tons from other jurisdictions. The regulatory updates will allow facilities to appropriately assign jurisdiction of origin in such situations. To minimize regulatory burden, host assignment (i.e., assigning tons to the location of the

facility) is still an option if facilities cannot determine jurisdiction through other means.

#### *Subsection (b)(5)*

The purpose of this paragraph is to explain how all reporting entities should determine jurisdiction of origin for exported mixed plastic waste. This section is necessary because AB 881 (PRC section 41821.5(b)(4)) requires reporting entities to submit to CalRecycle the jurisdiction of origin for exported mixed plastic waste. For reporting entities to provide such information, the RDRS regulations need to specify how the jurisdiction of origin of such exported tons should be derived. These proposed regulatory changes are set to take effect in reporting period 4 of 2024 because mixed plastic waste export will be reported to CalRecycle starting in that quarter [e.g., subsection 18815.5(a)(4)].

#### *Subsection (c), header*

The purpose of this change is to clarify that source sector may be assigned using any of the methods listed in the subdivision, except that, if the methods of paragraphs (5) through (7) apply, then a reporting entity must use those methods. This change is necessary because the methods of paragraphs (5) through (7) apply to designated waste, disaster debris, and material sent from recyclers, composters, brokers, transporters, and disposal facilities. For all these materials, it is unlikely that the materials can be meaningfully separated into commercial and residential components. Thus, CalRecycle is not allowing all of the listed methods to be used to determine source sector for these materials. Rather, paragraphs (5) through (7) provide the specific source sector to be used for these materials. Please see the ISOR discussion for each of these paragraphs, below, for further information.

#### *Subsection (c)(1)(A)*

The purpose of this change is to specify that certain vehicles should be assigned the "self-hauled" source sector only in reporting periods earlier than reporting period 4 of 2024. Starting in reporting period 4 of 2024, pursuant to subsection 18815.9(c)(1)(D), self-haul vehicles instead shall be classified into "self-hauled commercial" or "self-hauled residential." The change to subsection 18815.9(c)(1)(A) is therefore necessary to ensure that the "self-hauled" source sector is assigned based on vehicle type only prior to reporting period 4 of 2024. The changes to the source sector regulations take effect in reporting period 4 of 2024 because reporting entities will need time to implement new data collection protocols, CalRecycle will need time to alter the online RDRS user-interface appropriately, and CalRecycle does not want these changes to retroactively apply to earlier reporting periods.

### *Subsection (c)(1)(C)*

The purpose of this change is to provide an additional example of vehicle types that can be assigned to the contract-hauled commercial source sector. This change is necessary because roll-offs are a common vehicle type, which CalRecycle believes are more likely to be commercial than residential. This change is therefore meant to simplify reporting for reporting entities, in that they can assume that roll-off trucks represent the commercial source sector. However, note that entities are not required to assign a roll-off truck to the commercial source sector. Rather, vehicle type is only one of the allowed methods specified in subsection 18815.9(c).

### *Subsections (c)(1)(D), (c)(1)(D)(i), and (c)(1)(D)(ii)*

The purpose of these changes is to explain how reporting entities should use vehicle type to determine source sector beginning in reporting period 4 of 2024. Beginning in reporting period 4 of 2024, small vehicles are to be considered self-hauled commercial if they have a commercial emblem or commercial license plate ((c)(1)(D)(ii)) and self-hauled residential if they do not have a commercial emblem or commercial license plate ((c)(1)(D)(i)). The proposed regulations use emblem as a distinguishing factor to provide reporting entities a practical and low-burden method of distinguishing residential from commercial self-haul. These changes are necessary because the self-hauled source sector represents a mixture of commercial and residential materials. Thus, to increase the accuracy of source sector data, CalRecycle is requiring reporting entities to separate self-hauled material into commercial and residential portions. These changes to source sector are set to take effect in reporting period 4 of 2024 because reporting entities will need time to implement new data collection protocols, CalRecycle will need time to alter the online RDRS user-interface appropriately, and CalRecycle does not want these changes to retroactively apply to earlier reporting periods. Note that reporting entities are not required to assign source sector based on vehicle type. Rather, vehicle type is only one of the allowed methods specified in subsection 18815.9(c).

### *Subsections (c)(2)(A) and (c)(2)(D)*

The purpose of these changes is to explain how reporting entities should use billing records to determine source sector prior to and beginning in reporting period 4 of 2024. Prior to reporting period 4 of 2024 ((c)(2)(A)), "cash accounts" are to be considered self-hauled, whereas beginning in that quarter ((c)(2)(D)), they are to be separated into self-hauled residential and self-hauled commercial. These changes are necessary because the self-hauled source sector represents a mixture of commercial and residential materials. Thus, to increase the accuracy of source sector data, CalRecycle is requiring reporting entities to separate self-hauled material into commercial and residential portions. These changes to source sector are set to take effect in reporting period 4 of 2024 because reporting entities will need time to implement new data collection protocols, CalRecycle will need time to alter the online RDRS user-interface appropriately, and CalRecycle does not want these changes to retroactively apply to earlier reporting periods. Note that reporting

entities are not required to assign source sector based on billing records. Rather, billing records are only one of the allowed methods specified in subsection 18815.9(c).

*Subsection (c)(4)*

The purpose of this change is to explain that, beginning in reporting period 4 of 2024, reporting entities who determine source sector by asking incoming drivers shall ask drivers assigned to the self-hauled sector if they are residential or commercial. These changes are necessary because the self-hauled source sector represents a mixture of commercial and residential materials. Thus, to increase the accuracy of source sector data, CalRecycle is requiring reporting entities to separate self-hauled material into commercial and residential portions. These changes to source sector are set to take effect in reporting period 4 of 2024 because reporting entities will need time to implement new data collection protocols, CalRecycle will need time to alter the online RDRS user-interface appropriately, and CalRecycle does not want these changes to retroactively apply to earlier reporting periods. Note that reporting entities are not required to assign source sector by asking drivers delivering loads. Rather, asking drivers is only one of the allowed methods specified in subsection 18815.9(c).

*Subsection (c)(5)*

This purpose of this change is to clarify that disaster debris and designated waste are always to be considered "self-hauled." These materials are not going to be separated into residential versus commercial self-haul. This change is necessary because the updates to subsections 18815.9(c)(1), (c)(2), and (c)(4) (discussed above) require self-hauled material to be separated into residential versus commercial self-haul. However, it is unlikely that disaster debris and designated waste can be meaningfully separated into commercial and residential components. Thus, to minimize reporting burden, CalRecycle chose to always consider these materials self-haul. Note that reporting entities are required to assign the source sector of disaster waste and designated debris according to paragraph (5).

*Subsection (c)(6) and (c)(7)*

The purpose of these changes is to explain how reporting entities should assign source sector for residual disposal and material received from recyclers, composters, brokers, transporters, and disposal facilities prior to and beginning in reporting period 4 of 2024. Prior to reporting period 4 of 2024 ((c)(6)), these materials shall be considered self-hauled, whereas beginning in that quarter ((c)(7)), the materials are to be assigned to a new source sector, "reporting entity other than contract hauler and transfer/processor." These changes are necessary because residual disposal from, and material sent by, recyclers, composters, brokers, transporters, and disposal facilities does not have a true source sector. These materials likely represent a mixture of source sectors. Thus, rather than

arbitrarily assign these materials to the self-hauled source sector, CalRecycle has created a new source sector category, which will improve the overall quality of the source sector information in RDRS. These changes to source sector are set to take effect in reporting period 4 of 2024 because reporting entities will need time to implement new data collection protocols, CalRecycle will need time to alter the online RDRS user-interface appropriately, and CalRecycle does not want these changes to retroactively apply to earlier reporting periods. Note that reporting entities are required to assign source sector as described in paragraphs (c)(6) or (c)(7) if they receive material from recyclers, composters, brokers, transporters, or disposal facilities.

#### *Subsection (c)(8)*

The purpose of this new paragraph is to allow entities to use an alternative method for determining source sector, if approved by CalRecycle pursuant to subsection 18815.9(m). This amendment is necessary because the regulations in subsection 18815.9(c) list the specific methods for capturing source sector in order to ensure that the data are collected accurately and reliably. However, there could be other methods besides the ones listed that would satisfy the needs of RDRS. To allow this behavior, the regulations were updated to allow approved alternative methods. CalRecycle needs to approve the methods to ensure that the methods are appropriate and will not result in substandard data collection.

#### *Subsection (j)(4) through (8)*

The purpose of these amendments is to fix a minor comma misuse. This is a nonsubstantive change with no regulatory effect.

#### *Subsection (j)(8.5)*

The purpose of this new paragraph is to provide a summary of the information that is required to be reported within the mixed plastic waste export material stream. This paragraph is nonsubstantive and without regulatory effect because it only reiterates and summarizes requirements that are laid out in the regulatory sections for each individual reporting entity activity type (sections 18815.4 through 18815.8). This paragraph could be removed with no effect on the regulations. However, CalRecycle added this paragraph to subdivision (j) because each of the other material streams contains an entry in subdivision (j), which required that CalRecycle add a new entry to subdivision (j) for the new material stream, "mixed plastic waste export." CalRecycle created this new stream because AB 881 classifies mixed plastic waste export as disposal (PRC section 41781.4), requires CalRecycle to collect jurisdiction of origin for such materials (PRC section 41821.5(b)(4)(A)), and mandates that CalRecycle publish tons and jurisdiction of origin specifically for mixed plastic waste export (PRC section 41821.5(b)(4)(B)). For the mixed plastic waste export material stream, reporting entities report to CalRecycle two components: one, the tons of each material type sent to each destination region,



and two, the tons sent from each jurisdiction of origin across all material types and destination regions. Material type and destination region are necessary so that CalRecycle can obtain an accurate assessment of exported mixed plastic waste materials, which will improve CalRecycle's ability to monitor progress towards reducing disposal of different plastics. CalRecycle is requiring destination region, rather than specific location, to minimize reporting burden while still gathering destination information for exported materials. Collecting jurisdiction of origin is required because, as mentioned above, AB 881 (PRC section 41821.5(b)(4)) requires CalRecycle to do so. CalRecycle is gathering jurisdiction of origin for total exported tons (rather than separately for each destination region or material type of the tons sent) to reduce reporting burden while still collecting the needed information.

*Subsection (k), header*

The purpose of subdivision (k) is to provide the regulated community an overview of the reporting requirements for inflows (i.e., tons accepted), analogous to what subdivision (j) provides for outflows (i.e., tons sent). This is necessary because CalRecycle has found ongoing misunderstandings regarding reporting of inflows in RDRS. This subdivision is necessary to clarify reporting for the regulated community.

*Subsections (k)(1), (k)(1)(A), k(1)(B), (k)(1)(C),(k)(1)(D), and (k)(1)(E)*

The purposes of this new paragraph and new subparagraphs are to explicitly list the material streams that require inflow reporting in RDRS and the reporting requirements for each stream. This paragraph reiterates and summarizes requirements laid out in the regulatory sections for each individual reporting entity activity type (i.e., section 18815.4 through 18815.8). The paragraph does not provide any new or different reporting requirements, but rather summarizes requirements and provides an easy reference for reporting requirements. Thus, this paragraph is nonsubstantive and without regulatory effect.

*Subsection (k)(2)*

The purpose of this new paragraph is to clarify that reporting entities shall not report inflows of recycling or composting, except that entities shall report recycling as solid waste if the tons were contaminated so much that a recycler would not be allowed to handle such material pursuant to CCR, Title 14, section 17402.5(d). This amendment is necessary for two reasons. First, CalRecycle specified that contaminated recyclables shall be considered solid waste because if materials are too contaminated to be handled by a recycling facility pursuant to section 17402.5(d), then those materials should not be considered recyclables. The materials need to be handled by a facility with a solid waste facilities permit and are by definition solid waste. Second, the regulatory sections 18815.4 through 18815.9 specify what reporting entities must report to CalRecycle, but the sections do not

state what must not be reported. Because none of these sections dictate that reporting entities report inflows of recycling or composting to CalRecycle, reporting entities do not have to report recycling or composting inflows. However, reporting entities have been confused about whether they need to report inflows of recycling and composting. Accordingly, CalRecycle added this paragraph to clarify that reporting entities do not report inflows of recycling or composting.

*Subsections (k)(3), (k)(4), (k)(4)(A), (k)(4)(B), (k)(4)(C), (k)(4)(D), (k)(4)(D)(i), (k)(4)(D)(ii), and (k)(4)(D)(iii)*

The purpose of these new paragraphs, new respective subparagraphs, and items is to explain how the material stream of accepted materials should be reported given sorting of inflows into outflows. Subsection (k)(3) dictates how reporting entities should report inflows (i.e., accepted materials) when those inbound materials are sent as outflows without processing. Subsection (k)(4) dictates how reporting entities should report inflows when those inbound materials are processed and sent as outflows of multiple streams. Items (k)(4)(D)(ii) and (k)(4)(D)(iii) specify how to classify inflows based on whether accepted materials contain 10% or more solid waste by weight. If the 10% or more solid waste by weight threshold is met or exceeded, then the accepted materials shall be classified as solid waste. Else, the solid waste residuals shall be included as accepted from direct haul. The 10% or more solid waste by weight threshold is an existing regulatory standard used by CalRecycle to determine what may be considered solid waste due to the permitting requirements of the entities handling it (See CCR, title 14, Division 7, Chapter 3, Article 6.0, Section 17402.5(d)). These updates are necessary because no RDRS regulations (i.e., 18815.1 through 18815.13) require that an entity's inflows and outflows align. However, CalRecycle has observed inconsistency in how entities report inflows. These paragraphs will bring consistency and clarity to reporting, explaining how inflows should be reported based on a facility's processing and eventual outflows from those inflows.

*Subsection (l), overall*

The purpose of this subdivision is to provide the methods that entities may use to gather collection method for materials taken to recycling, end use, or other non-disposal ends. This update is necessary because SB 343 (PRC subsection 42355.51(d)(1)(A)(i)) requires CalRecycle to gather collection method about recycled materials. Subdivision (l) also specifies that that these collection method regulations take effect in reporting period 4 of 2024, which is necessary because reporting entities will need time to implement new data collection protocols, CalRecycle will need time to alter the online RDRS user-interface appropriately, and CalRecycle does not want these changes to retroactively apply to earlier reporting periods.

*Subsection (l)(1)*

The purpose of this amendment is to provide reporting entities, other than contract haulers, the information that they need to report collection method within RDRS. This change is necessary because the regulations in this article (subsections 18815.5(a)(1)(D), 18815.6(f), 18815.7(a)(7), 18815.8(a)(6)) require entities to report collection method. In order to report this collection method, if reporting entities receive tons from contract haulers, then the entities would have had to have obtained collection method information from contract haulers. This paragraph requires contract haulers to provide that information, so that reporting entities can report it to CalRecycle. Contract haulers are required to provide collection method at the time of delivery, unless both parties have agreed to periodic reports, because providing the information at the time of delivery will ensure that reporting entities have the collection method information needed in time to submit their quarterly reports. The requirement that periodic reports be provided within 30 days mirrors the timeline for period reports between haulers and receiving facilities where the same option is provided elsewhere in existing RDRS regulations.

*Subsection (l)(2), (l)(2)(A), (l)(2)(B), (l)(2)(C), and (l)(2)(D)*

The purpose of this amended paragraph and new subparagraphs is to describe how contract haulers should determine collection method. This amendment is necessary because CalRecycle has a vested interest in ensuring that collection method information is gathered appropriately. This paragraph establishes acceptable methods that contract haulers may use to determine collection method. To minimize reporting burden, contract haulers may use the records specified in subparagraphs (A) through (C) rather than tracking individual loads. Contract haulers may also seek approval from CalRecycle for alternative methods if needed (subsection (l)(2)(D)), pursuant to subsection 18815.9(m). Subsection (l)(2)(D) is necessary in order to keep the regulations flexible enough to compensate for unanticipated scenarios, while giving CalRecycle oversight authority over new methods to ensure that they are appropriate.

*Subsections (l)(3), (l)(3)(A), (l)(3)(B), (l)(3)(C), (l)(3)(C)(i), (l)(3)(C)(ii), (l)(3)(D), and (l)(3)(E)*

The purposes of this new paragraph and its new subparagraphs and items are to explain how reporting entities, other than haulers, are required to determine and report collection method in RDRS. This paragraph is necessary because other regulations in this article [subsections 18815.5(a)(1)(D), 18815.6(f), 18815.7(a)(7), 18815.8(a)(6)] require these reporting entities to report collection method, so the proposed regulations need to specify how reporting entities are to gather and report that information. When reporting entities need to report collection method, there are several different scenarios that may occur. Reporting entities may have received the materials from a contract hauler, from a reporting entity other than a contract hauler, from a generator, from an on-site recycling or composting facility or operation, or from other on-site activities. In each of these

scenarios, reporting collection method is different because the information may or may not be readily available to the reporting entity. Thus, subparagraphs (A) through (E) are needed to specify how a reporting entity should derive collection method in each of these scenarios. Subparagraph (A) specifies that reporting entities who receive material from contract haulers should obtain collection method from the contract hauler, because the contract hauler should have provided that information, pursuant to subsection (l)(1). To minimize reporting burden, subparagraphs (B) and (E) require a reporting entity to report collection method to the entity activity type from which the materials were received [subparagraph (B)] or generated [subparagraph (E)]. Subparagraph (C) requires a reporting entity who receives material from a generator to derive the collection method based on how the reporting entity accepted the material, using the methods identified in 18815.9(c) to determine whether the material is self-hauled residential or commercial. Subparagraph (D) considers the situation in which a reporting entity has a recycling or composting facility reporting under the same RDRS registration number as the reporting entity. Here, if the recycling or composting facility generates the materials, then collection method should be determined based on how the recycling or composting facility accepted the materials (e.g., if the recycler or composter received the materials from a contract hauler, then the collection method should have been obtained from the contract hauler pursuant to subparagraph (A), discussed previously).

*Subsection (m), (m)(1), and (m)(2)*

The purposes of this subdivision and paragraphs are to establish a protocol for reporting entities to request and CalRecycle to approve the use of other methods when other methods are allowed by the RDRS regulations (subsections 18815.9(b)(2), 18815.9(b)(2.5), 18815.9(c)(8), and 18815.9(l)(2)). This is necessary because the regulations attempt to list methods that balance collecting accurate information and creating burden for the regulated community. Sometimes, using one of the listed methods will not be possible. However, CalRecycle has a vested interest in ensuring that the alternative method is appropriate. Previously, existing regulations provided no limitations on alternative methods. In the proposed regulations, CalRecycle must approve an alternative method before a reporting entity can use it, thus ensuring the quality of data reported in RDRS. When requesting approval, the proposed regulations require reporting entities to identify themselves, so that CalRecycle will know which reporting entity will be approved to use the alternative method, since circumstances affecting a method's appropriateness may differ among entities. The proposed regulations also require reporting entities to provide information about the method – the value it will assess, evidence that the method accurately assesses the value, and justification for why an alternative method is needed – so that CalRecycle can evaluate the method's appropriateness. For example, CalRecycle cannot evaluate a method if CalRecycle does not know what the method is supposed to measure. The regulations provide CalRecycle 60 days to approve a request because CalRecycle believes that 60 days would be an appropriate review timeline as it aligns with

timelines for CalRecycle to make similar types of reviews. The new process for requesting an alternative method takes effect in reporting period 1 of 2024 because CalRecycle did not want this regulation to be effective for past quarters.

### *Section 18815.11*

#### *Subsection (b)(1)*

The purpose of this amendment is to require reporting entities to maintain records that can be used to verify jurisdiction of origin. This amendment is necessary because the original regulations required entities to maintain records only for solid waste, but jurisdiction of origin is required for additional materials: green material for beneficial reuse (PRC section 41781.3) and mixed plastic waste export (PRC section 41821.5(b)(4)). Thus, the updated regulations broadened this paragraph to not be limited to only solid waste. The regulations were also updated to change "of a load" to "for loads." This change is nonsubstantive and without regulatory effect.

### *Section 18815.12*

#### *Subsection (e)*

The purpose of this amendment is to delete the statutory reference "Chapter 3.5 (commencing with section 6250) of Division 7 of Title 1 of the Government Code" and replace it with the statutory reference "Division 10 (commencing with section 7920.000) of Title 1 of the Government Code." This amendment is necessary to account for changes to the California Public Records Act and is a non-substantive change.

#### *Subsection (g)(4)*

The purpose of this amendment is to clarify the scope of subdivision (g), which sets forth categories of information that the Department considers to qualify for the Public Record Act's exemption for trade secrets (Government Code section 7927.605(a)). Under this subdivision, the Department withholds such information from Public Records Act disclosures without going through the procedure set forth in Title 14, section 17046, subdivision (c), which concerns disclosure of data expressly claimed to be trade secret, confidential, or proprietary information. The amendment does not alter whether any particular data is subject to disclosure pursuant to the Public Records Act. Rather, it identifies a limitation on the scope of paragraph (4), which refers to information "from which the identity of any . . .

source or transferee of recyclable material may be reasonably ascertained." The changes to paragraph (4) are necessary because the original language does not provide clear guidance as to what does not constitute such information and therefore might be publicly available, resulting in confusion by members of the public seeking data from RDRS. The amended text remedies this by explaining that subdivision (g) does not require the Department to withhold tonnages for materials if the data are aggregated by jurisdiction. Greater clarity as to the scope of data that the Department will necessarily withhold is also necessary because the Department cannot lawfully withhold information that does not qualify for an exemption under the Public Records Act, nor can the Department create or eliminate such an exemption via regulation. Finally, greater clarity is necessary because subdivision (g) must be interpreted consistently with Public Resources Code section 41821.5(b)(3), which states that facility-specific reports provided to the Department may exclude certain confidential information but are otherwise "public information."

## **Title 14, Section 18794.2**

Within Title 14, Article 9.0, changes were made to section 18794.2.

<b>Title 14.</b>	Natural Resources
<b>Division 7.</b>	Department of Resources Recycling & Recovery
<b>Chapter 9.</b>	Planning Guidelines and Procedures for Preparing and Revising Countywide Integrated Waste Management Plans
<b>Article 9.0.</b>	Annual Report Regulations.
<b>Section</b>	18794.2

### *Section 18794.2*

#### *Subsection (c)(4)*

The purpose of this change is to clarify that tons of green material used for alternative daily cover count as disposal if they were used as such on or after Jan 1, 2020. This update is nonsubstantive with no regulatory effect.

#### *Subsection (c)(5) and (c)(6)*

The purpose of these amendments is to indicate that the list continues after paragraph (6). This is a nonsubstantive change with no regulatory effect.

#### *Subsection (c)(7)*

The purpose of this update is to alter the calculation of jurisdiction disposal to include exported mixed plastic waste. This amendment is necessary because AB

881 defines exported mixed plastic waste as disposal (PRC section 41781.4). Thus, CalRecycle was obligated to update the regulatory subsections defining the calculation of jurisdiction disposal in order to comply with statutory requirements.

## **Overall Benefits of the Regulations**

New data collected by RDRS and associated with AB 881 (PRC sections 41781.4 and 41821.5(b)(4)) will help CalRecycle and local governments more accurately assess disposal from the state. CalRecycle and local governments will accordingly be better able to design strategies to reduce disposal pursuant to AB 939 and meet the statewide recycling goal of AB 341. Reducing disposal and increasing recycling will decrease California's reliance on landfill and other forms of disposal, benefitting public health through better air quality and the environment through lessened contamination of land with trash.

New data collected by RDRS pursuant to SB 343 (PRC section 42355.51) will improve understanding of the recyclability of various products. Such improved information is crucial to the success of SB 343 and will benefit various groups. Manufacturers, for example, may use the data to determine whether their product can be recycled in the state; in turn, the data provide a basis for holding such firms accountable for labels that misleadingly indicate that products are recyclable. Further clarity in recyclability labeling and marketing also will allow consumers to make informed decisions when purchasing, disposing, and recycling products, which in turn will incentivize firms to design products to satisfy the criteria established by SB 343. Moreover, SB 343 will improve the efficiency of recycling processes by reducing the presence of non-recyclable material in the materials received by recyclers. Taken together, these effects should decrease the landfill disposal and littering of plastics, thus alleviating environmental impacts such as migration of harmful chemicals from plastic waste, release of greenhouse gasses from landfills, and the deposition of plastics in waterways and oceans.

The proposed general updates to the RDRS Regulations, by improving the quality of existing data in RDRS, will have similar benefits as the regulatory changes associated with AB 881 and SB 343. For example, the proposed updates will improve the granularity of source sector and jurisdiction of origin for solid waste, which will allow CalRecycle to better assess the roots of solid waste in the state and thereby develop targeted strategies to reduce that waste. Similarly, the proposed updates will collect more detail on what materials are recycled, composted, or otherwise recovered. Additionally, the changes will clarify what RDRS data is available to interested parties, who may provide further insight into and analysis of the data. Together, these changes will expand and improve the accuracy of the information collected in RDRS regarding recycling and disposal in the state. CalRecycle will be able to use these datasets to create focused programs that will reduce waste, improve recycling, and increase the environmental sustainability of the economy, thereby creating benefits for public health and the environment.

## **Studies, Reports, and Similar Documents Relied Upon**

CalRecycle utilized the following sources:

- Attachment 1: AB 901 Economic Impact Statement – Supplemental Information
- Attachment 2: AB 901 STD 399
- Attachment 3: RDRS STD 399
- Attachment 4: RDRS STD 399 Appendix A
- Attachment 5: RDRS STD 399 Appendix B



## **Initial Determination That the Action Will Not Have a Significant Adverse Economic Impact on Business**

CalRecycle has conducted an economic analysis and made an initial finding that the proposed action will not have a significant adverse economic impact on businesses in California. CalRecycle bases its determination on the Economic and Fiscal Impact Statement and Supplemental Information (STD 399 and appendix, January 2018) prepared in connection with existing RDRS regulations (CCR, Title 14, sections 18815.1 through 18815.13), the facts and evidence described in the Economic and Fiscal Impact Statement and Supplemental Information (STD 399 and appendices A and B) included with this ISOR and summarized below, and the fact that the proposed regulatory action, rather than creating an entirely new reporting regime, only clarifies existing reporting obligations and updates them to account for statutory changes enacted by SB 343 (PRC section 42355.51(d)(1)(A)(i)) and AB 881 (PRC sections 41781.4 and 41821.5(b)(4)).

CalRecycle estimated that a typical business will have an initial cost of \$120 and an ongoing cost of \$3,772 to comply with the proposed regulations. The regulatory updates do not substantially increase existing reporting burden, and many reporting entities already collect the newly required information as part of existing business practices. The regulatory updates, furthermore, do not require the new information in all scenarios and allow entities to suggest alternatives to gathering information, which should reduce entities' costs in satisfying the regulations. However, even when assuming all entities would behave as if they were required to report all information (the most-cost alternative), CalRecycle's analysis revealed a total economic cost of \$8,605,141 over the first 12 months of implementation. CalRecycle therefore concluded that the regulatory updates did not meet the criterion for a major regulation, and we did not complete a Standardized Regulatory Impact Analysis (SRIA). For further details of CalRecycle's economic analyses, please see the STD 399 and accompanying appendices A and B.

### **Economic Impact Assessment/Analysis**

As described above, CalRecycle determined that the economic impact of the updated regulations would not exceed the threshold requiring a SRIA. CalRecycle therefore completed an Economic Impact Assessment (EIA), in accordance with Government Code Section 11346.3(b). This section of the ISOR summarizes the particular findings from the EIA. Additional economic and fiscal information are contained within the STD 399 and its two appendices A and B.

### **Creation or Elimination of Jobs**

CalRecycle anticipates that the updated regulations will not significantly affect jobs within California. The economic analysis revealed that only approximately 70 new

full-time positions would be necessary to satisfy the requirements of the proposed regulations. Not all these positions may be created, since some businesses may satisfy the new requirements using existing staff. Regarding loss of jobs, since the new regulations are unlikely to cause business closure, the regulations will not likely eliminate positions within California.

## **Creation or Elimination of Businesses**

The regulatory changes will neither create nor eliminate businesses. For business creation, the regulatory updates do not incentivize the creation of businesses. Rather, the changes alter and increase reporting for operations within the waste and recycling industries. Regarding the elimination of businesses, the estimated annual cost of the regulations for an average operation was \$3,772. This cost is small enough that it should not cause any affected businesses to cease operations.

## **Expansion of Businesses**

Other than facilities that hire more staff to meet the additional requirements that the updated regulations create, the new regulations should likely not expand existing businesses in California. The new regulations change data collection and reporting requirements for businesses. The regulations do not incentivize businesses to increase their operations by acquiring, processing, or transferring more materials.

## **Benefits of the Regulations**

The proposed changes to the RDRS regulations will improve the state's environment and the health and welfare of California residents. The updates will improve the quality and increase the detail of data collected within RDRS, particularly regarding the material type of recycled or otherwise recovered materials, jurisdiction of origin for solid waste and exported mixed plastic, and source sector. These datasets will help the public evaluate products with regard to the labeling requirements of SB 343. The datasets will also improve the information available to jurisdictions regarding their disposal and progress towards disposal mandates. The datasets will additionally provide more granular information regarding the source sector of solid waste. In combination, these benefits will help CalRecycle create strategies for reducing statewide disposal and moving the state towards a circular economy, which will in turn reduce environmental impacts from disposal. These benefits are described in greater detail in the above Benefits section.

## **Alternatives Discussion**

When considering alternatives to the proposed regulations, CalRecycle relied upon the grouping of the regulatory changes. The regulatory changes are categorized

into those needed for AB 881, those needed for SB 343, and generally to improve existing regulations. CalRecycle considered a single alternative for each of these groups, assessing the total cost of the alternative across all three categories.

For each of the three regulatory change categories – SB 343, AB 881, and general updates – the considered alternative essentially meant collecting less information. This alternative was the same for both “small” businesses (as defined by Government Code section [11346.3\(b\)\(4\)\(B\)](#)) and other businesses.

For SB 343, an alternative regulatory proposal could have required *only* transfer/processors to report collection method. CalRecycle estimated that this alternative would cost \$2,204,071 fewer dollars than the proposed updates for SB 343. CalRecycle rejected this alternative because SB 343 requires CalRecycle to obtain representative information about recovered materials in the state which cannot be accomplished by only requiring transfer/processors to report collection method and ignoring other activity types. Additionally, CalRecycle argued that the data provided by the regulatory updates for collection method justify the cost, since CalRecycle calculated that the average business would not incur more than an additional \$3,772 cost per year due to the regulatory updates.

For AB 881, an alternative regulatory proposal could have allowed exporting entities to host assign mixed plastic instead of requiring entities to pass along the true jurisdiction of origin to the exporter. The host assignment alternative would require less information in the sense that host assigned jurisdictions would be less granular and less accurate than what the proposed regulations actually require. CalRecycle rejected this alternative as this would not provide a representative accounting of the origins of mixed plastic waste. CalRecycle estimated that the cost of host assigning exported mixed plastic would cost \$4,173,330 fewer dollars than the proposed text.

In the general updates group, the proposed changes – separating the self-haul source sector into residential versus commercial, expanding origins for residuals and other materials, obtaining constituent materials within mixtures, SWIS number, etc. – expand the detail of information provided within RDRS. As several entities and jurisdictions have informed CalRecycle that the current RDRS regulations, which require host assignment, do not allow accurate tracking of disposed tons’ true jurisdiction of origin, CalRecycle needed to expand reporting for origins of residuals. To meet the goals of SB 1335, [SB 54 \(Allen, Chapter 75, Statutes of 2022\)](#), and SB 343, CalRecycle needs information about outflows related to recovery, and therefore, it was necessary to require the list of materials sent in outflows of “mixed materials.” Requiring reporting of an entity’s Solid Waste Information System (SWIS) number enables CalRecycle to aggregate RDRS data by SWIS number, which is a commonly used identifier in CalRecycle programs. Lastly, the updated regulations require CalRecycle to approve methods other than what is allowed by regulations because CalRecycle has a vested interest in the quality of the data. Rather than increasing reporting detail, an alternative proposal could make no regulatory changes and leave existing RDRS regulations as they currently are.

CalRecycle, rejected the alternative because these updates were necessary. Thus, the cost for this alternative would be \$0.

Combining the alternative cost estimates for the three groups of regulatory changes, the alternatives would in total cost \$7,309,444 fewer dollars than the proposed updates over one year of full implementation of the regulations.

Because the alternatives would require less information, the average business would avoid some of the additional costs associated with the proposed regulations. As explained in the accompanying Economic Impact Assessment, CalRecycle estimates that the proposed regulations would cost the average business \$3,772 over a full year of implementation. CalRecycle determined that the increased information required to be collected by the proposed regulations justified such additional costs because the alternatives would not achieve the purposes of the proposed regulations and their underlying statutes. There are multiple components to this determination.

First, SB 343 requires CalRecycle to obtain information about recovered materials in the state. Since materials take complicated pathways through California's material recovery infrastructure, ignoring facilities other than transfer/processors would provide an incomplete and inaccurate picture of the entities responsible for material recovery.

Second, while host assigning exported mixed plastic would not skew disposal for large jurisdictions (since relatively few tons of mixed plastic waste are exported), host assigning would not provide a truly accurate accounting of the origins of exported mixed plastic, especially for small jurisdictions with low total disposal.

Last, each of the proposed general updates provides needed data. For example, a singular self haul category that does not discriminate between residential and commercial prevents meaningful estimates of commercial and residential source sector percentages. Allowing more detail for origins, in addition, will enable better accounting of the jurisdiction of origin for residuals. Requiring component materials within mixed materials will provide more granular information about recovered materials, which CalRecycle and others can use towards the goals of SB 1335, SB 343, and SB 54.

For additional discussion of the alternatives, please see Appendix A of STD 399.

## **Duplication or Conflicts with Federal Regulation**

Pursuant to Government Code section 11346.2(b)(6), CalRecycle found that there are no federal laws or regulations addressing the same issues as the proposed regulations. Therefore, these regulations do not duplicate or conflict with any federal law or regulation.