



August 14, 2024

To: Plastic Market Development Payment Participants

Plastic Market Development (PMD) Payment Structure

The Department of Resources Recycling and Recovery (CalRecycle), pursuant to Public Resources Code (PRC) §14549.2 and California Code of Regulations §2880, issues PMD payments to eligible participants.

On March 13, 2024, CalRecycle held a roundtable discussion to solicit comments and recommendations about the three-tier payment structure implemented on January 1, 2024. CalRecycle analyzed the comments and recommendations received and has revised the three-tier payment structure to ensure the success of the program. CalRecycle values and appreciates the feedback provided by its program participants.

The revised payment structures as outlined in Table 1 and Table 2 are effective with claims submitted as of July 1, 2024. The manufacture three-tier payment structure has been revised to eliminate the tier set-a-side amounts and allot \$18.25 million for manufacture claims. The reclaimer three-tier payment structure is revised to increase the per ton rate, eliminate the tier set-a-side amounts, and allot \$18.25 million for reclaimer claims.

In addition to the tier payment structure changes, beginning July 1, 2024, participants may submit claims monthly. Claims will must be submitted by the 10th day of the second month following the reporting month (i.e., July 2024 claims but be submitted by September 10th). Payments for eligible claims will be issued until the allotment per participant is expended. CalRecycle will update the availability of funds bi-monthly after payments have been processed.

The Manufacturer PMD per ton payments (Table 1) are based on the use of PET #1 to produce new containers. To receive the maximum per ton payment, manufacturers must use PET #1 to produce beverage containers that exceed the plastic minimum content standard specified in PRC 14547 (Assembly Bill 793).

Table 1-Manufacturer Payments

	Payment per Ton	Participant Allotment
Tier 1 - PET #1 beverage containers that exceed the minimum content requirement	\$150	\$18,250,000
Tier 2 - PET #1 beverage containers	\$75	
Tier 3 - PET #1 products	\$50	

The reclaimer PMD per ton payments (Table 2) are structured to encourage reclaimers to make PET #1 readily available to manufacturers for use in the production of new containers.

Table 2 Reclaimer Payments

	Payment per Ton	Participant Allotment
Tier 1 - PET #1 A Grade	\$150	\$18,250,000
Tier 2 - PET #1	\$75	
Tier 3 - Other	\$50	

If you have any questions regarding the payment structures, please contact the Statistical Information Section at MarketInformation@CalRecycle.ca.gov or (916) 323-5778.

Sincerely,

Amy Cameron