



Welcome to the Dealer Cooperative Public Workshop

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Agenda

Part 1: Overview of Dealer Cooperative Requirements

Presented by:
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Part 2: Model Dealer Cooperative Stewardship Plan

Renée Avila Cheperka

Part 3: Questions and Comments

Moderated by:
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Division of Circular Economy



Part 1: Overview of Dealer Cooperative Requirements

Statutory Changes to Public Resources Code

If you are a dealer in an unserved zone with either:

1. Gross annual sales of more than \$1,500,000 (excluding fuel sales) and
2. Is more than 5,000 square feet

This applies to you

Starting on January 1, 2025, section 14578 requires these dealers to either:

1. Redeem empty beverage containers for consumers, or
2. Join a dealer cooperative

What is a Dealer Cooperative?

- Defined by Public Resources Code section 14510.2
- 501(c)(3) nonprofit stewardship organization formed for the purpose of providing redemption opportunities
- Eligible for program payments
- Voluntary for a dealer to join

Dealer Roles starting January 1, 2025



Dealers in an unserved convenience zone choose in-store redemption or join a dealer cooperative:



Option 1: The dealer takes back beverage containers



Option 2: The dealer joins a dealer cooperative

Overview of Dealer Cooperative Requirements

- More than one can operate in the same unserved zone
- Do not make a zone served
- Dealers will need to redeem in-store or join a dealer cooperative
- Dealer membership management

New Requirement for Recycling Centers And Processors

- Completes shipping reports for dealer cooperatives

Overview of Dealer Cooperative Requirements

Flexible Requirements

- Methods of redemption
- May set limits for volume and material type
- One or more redemption sites per zone
- Redemption sites are not certified

Comprehensive Requirements

- Quarterly reporting
- Performance standards
- Education and outreach
- Budget
- Approval needed to make changes

Dealer members must redeem in-store until the dealer cooperative is fully operational

Stewardship Plan Requirements: Informational Contents

- List of dealer members
- List of unserved convenience zones
- Contact and business information
- Timeline

Stewardship Plan Requirements: Substantive Contents

- Method of redemption and material types redeemed
- Education and outreach
- Dispute resolution
- Community input
- Consumer convenience

Stewardship Plan Requirements: Performance Standards

- Geographic spread
- Average wait time
- Capacity to redeem at least 100% of containers sold
- Redemption of at least 80% of containers sold

The geographic spread and capacity to redeem at least 100% performance standards are measured per zone.

Stewardship Plan Requirements: Budget Contents

- Itemized list of costs
- Reserves
- Plan to address deficits and surpluses

Plan Submittal and Review

Submittal

- Posted online, accessible, and electronic

90-Day CalRecycle Review

- Public comments accepted
- CalRecycle may request additional information

Plan Determination

Disapproved Plans

- CalRecycle must notice within 30-days of decision
- Dealer cooperative may resubmit
- Resets 90-day CalRecycle review

Approved Plans

- Registration number
- Implementation
- Notify CalRecycle when fully operational
- Until fully operational dealer members must redeem in-store

Changes to the Approved Plan

Notice CalRecycle of any changes to:

- Contact information
- Redemption contractors
- Redemption sites
- etc.

Request CalRecycle approval for changes to:

- Substantive contents
- Performance standards

Required plan re-evaluation every 5 years

Recordkeeping

All Transactions

- Daily Customer Log, or
- Alternative method
- Includes transactions with no CRV payments

Other Requirements

- Membership fees assessed and used
- Immediately available upon request
- Originals must be provided, if requested

Quarterly Reporting



**Online,
accessible,
and
electronic**



**Redemption
data by site
per month**



**Performance
standards**



Operations

CalRecycle Enforcement

Notice of Violation

- May result in penalty

Corrective Action

- Plan resubmittal for approval
- Additional reporting

Plan Revocation – Dealer members redeem in-store immediately

- Corrective action
- Implement substantive contents and performance standards

Enforcement Hearings

- Informal hearing procedure
- Notice of Violation
- Plan Revocation

Always offered, must be requested



Part 2: Model Dealer Cooperative Stewardship Plan

Dealer Cooperative Statutory Requirements

1. Submit a plan
2. Assess dealer fees
3. Redeem all material types and offer redemption locations
4. Fully implement the approved plan

Stewardship Plan Regulatory Requirements (1 of 7)

Informational Contents

1. Federal Tax ID Number
2. Contact Information
3. Decision-Makers
4. Nonprofit Verification
5. Articles of Incorporation
6. Dealer Members

Stewardship Plan Regulatory Requirements (2 of 7)

Informational Contents Continued

7. Unserved Convenience Zones
8. Processors and Recycling Centers
9. Redemption Sites
10. Fully Operational Timelines

Stewardship Plan Regulatory Requirements (3 of 7)

Substantive Contents

- 11. Methods of Redemption
- 12. Education and Outreach
- 13. Dispute Resolution
- 14. Community Input
- 15. Consumer Convenience
- 16. Beverage Container Redemption

Stewardship Plan Regulatory Requirements (4 of 7)

Performance Requirements

- 17. Geographic Spread
- 18. Redemption Capacity
- 19. Redemption Amount
- 20. Average Wait Time

Stewardship Plan Regulatory Requirements (5 of 7)

Budget Requirements

21. Anticipated Costs

22. Funding Level and Reserves

Stewardship Plan Regulatory Requirements (6 of 7)

Recordkeeping Processes

23. Records of Redemption Transactions

24. Location of Records

Stewardship Plan Regulatory Requirements (7 of 7)

Plan Submittal

1. Required Contents
2. Electronic Submission
3. Online Posting
4. Accessible
5. Compliance Declaration

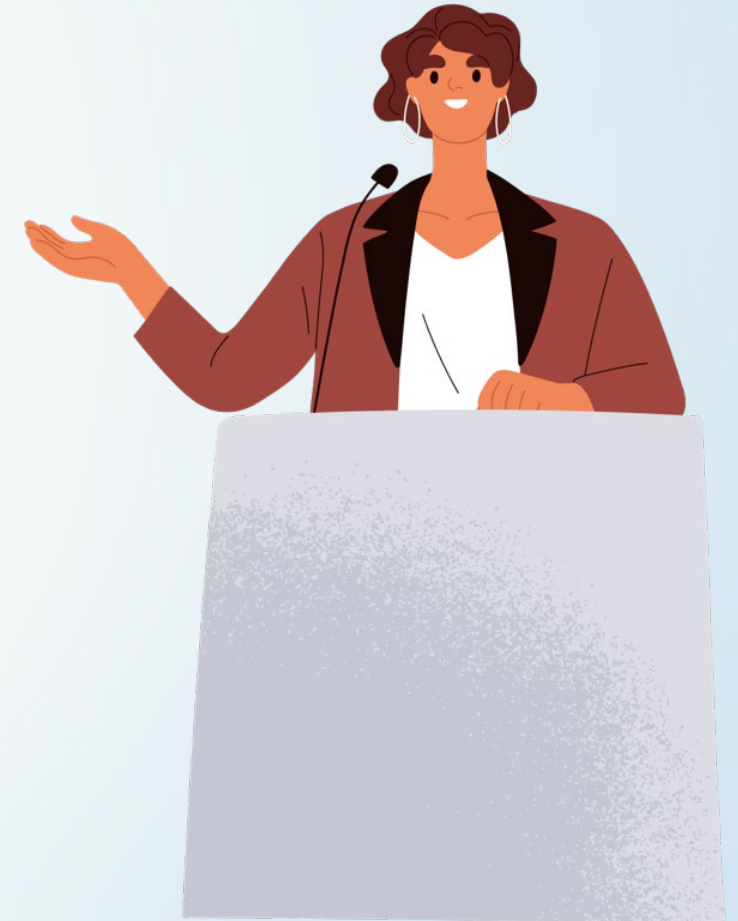


Part 3: Questions and Comments

CalRecycle Welcomes Input

- CalRecycle welcomes questions and comments
- CalRecycle staff read every email

**Email: dealercoops@calrecycle.ca.gov
through December 2nd, 2024**





Thank You Very Much