

## **NOTICE OF PROPOSED ACTION**

### **Dealer Registration and Dealer Cooperatives Permanent Regulations**

#### **DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY TITLE 14. NATURAL RESOURCES DIVISION 2. DEPARTMENT OF CONSERVATION CHAPTER 5. DIVISION OF RECYCLING**

NOTICE IS HEREBY GIVEN that the Department of Resources Recycling and Recovery (CalRecycle) proposes to adopt the California Code of Regulations, Title 14, Division 2, Chapter 5, Subchapter 4.5, Articles 1 through 5, commencing with Section 2370.

CalRecycle additionally proposes to amend the California Code of Regulations, Title 14, Division 2, Chapter 5, Subchapters 1, 2, 5, and 6, commencing with Section 2000.

The proposed regulation(s) is intended to promulgate a process for the registration of dealers and stewardship plan, reporting, and operational requirements for dealer cooperatives. After considering all comments, objections, and recommendations regarding the proposed action, CalRecycle may adopt the proposals substantially as described in the below Informative Digest or may modify such proposals if such modifications are sufficiently related to the original text.

### **PUBLIC HEARING**

CalRecycle will hold a hybrid public hearing starting at 9:00 AM (PDT) on April 30, 2024, and concluding upon submission of any public hearing comments. The public hearing will be accessible in person in the Byron Sher Auditorium located on the 2<sup>nd</sup> floor of the CalRecycle headquarters at 1001 I Street, Sacramento, California. The Byron Sher room is wheelchair accessible. The public hearing will also be accessible virtually via Zoom for direct participation and via Webcast for observation only. Instructions for how to access the Zoom public hearing (registration required) or Webcast (no registration required), can be found on CalRecycle's website at <https://calrecycle.ca.gov/Laws/Rulemaking/>.

Please note that Webcast participants will not be able to provide comments during the public hearing. To participate remotely and provide comments, it is recommended to join via Zoom. No registration is necessary to view the Webcast.

At the public hearing, any person may present statements or arguments orally or in writing relevant to the proposed action. CalRecycle requests, but does not require, that

any person who makes oral comments also submit a written copy of their testimony at the hearing. All comments at the public hearing will be collected and recorded.

Simultaneous Spanish interpretation will be available in-person at the public hearing and remotely via Zoom or Webcast. For in-person interpretation services, headsets will be available and can be provided by CalRecycle staff prior to or during the hearing. If interpretation services are needed in a language other than Spanish, please notify CalRecycle at [regulations@calrecycle.ca.gov](mailto:regulations@calrecycle.ca.gov) by April 23, 2024, and CalRecycle staff will do their best to accommodate this request.

### **WRITTEN COMMENT PERIOD**

The written comment period permits any interested person, or their authorized representative, to submit written comments addressing the proposed amendments to CalRecycle. Written comments, which offer a recommendation and/or objection, or support the proposed regulations, should indicate the section to which the comment or comments are directed. CalRecycle will only consider written comments sent to CalRecycle and received during the written comment period, which begins on March 15, 2024, and ends on April 30, 2024. Written comments received by CalRecycle after the close of the public comment period are considered untimely. CalRecycle may, but is not required to, respond to untimely comments, including those raising significant environmental issues. Comments submitted in writing must be addressed to one of the following:

*Postal mail:*

Csilla Richmond  
SB 1013 Dealer Registration and Dealer Cooperatives Permanent Regulations  
Department of Resources Recycling and Recovery, Regulations Unit  
1001 "I" St., MS-24B, Sacramento, CA 95814

*Electronic submittal:* [SB 1013 Dealer Registration and Dealer Cooperatives Regulations \(45-Day Public Comment Period\)](#)

### **AUTHORITY AND REFERENCES**

Public Resources Code (PRC) Sections 14530.5, 14536 and 14578.5 provide authority for this regulation.

The purpose of the proposed actions is to implement, interpret, and make specific laws related to dealer registration, dealer cooperative implementation and operation, enforcement of dealer cooperatives, shipping reports, and calculating various fees for payment and reimbursement. The following is a list of references cited in this proposed regulation: PRC Sections 14501, 14510.2, 14552, 14553, 14554, 14571, 14571.9, 14578, 14578.5, 14585, 14591.1, and 14595.5.

## INFORMATIVE DIGEST

### Summary Of Existing Laws

CalRecycle administers the California Beverage Container Recycling and Litter Reduction Act (the Act), which was added to state law by Assembly Bill No. 2020 (1985-1986 Reg. Sess.). The Act mandated CalRecycle to notify all dealers in any convenience zone where a recycling location or locations were initially established, but had ceased to operate, to establish a recycling location. In a convenience zone unserved by a recycling center, the Act requires dealers to either redeem all beverage container types on the premises or pay CalRecycle \$100 per day until a recycling location is established. The intent of the Act is to encourage increased, and more convenient, beverage container redemption opportunities for all consumers, and to provide the opportunity to return beverage containers conveniently, efficiently, and economically, in every region of the State. The Act became effective on September 29, 1986, and since then there have been several amendments to PRC section 14571.6 pertaining to the dealer requirements in unserved convenience zones where a recycling center is not established: Assem. Bill No. 20 (1987-1988 Reg. Sess.); Assem. Bill No. 1001 (1989-1990 Reg. Sess.); Assem. Bill No. 3417 (1989-1990 Reg. Sess.); Assem. Bill No. 87 (1991-1992 Reg. Sess.); and Assem. Bill No. 3752 (1993-1994 Reg. Sess.).

Senate Bill 1013 (2021-2022 Reg. Session, Chapter 610 of the Statutes of 2022) (SB 1013) amended the Act to establish a date of January 1, 2025, to repeal the requirements for dealers to redeem all beverage container types or pay CalRecycle \$100 per day in an unserved convenience zone. SB 1013 established PRC sections 14510.2, 14578, and 14578.5 pertaining to dealer cooperatives and mandates dealers in any convenience zone where no recycling location exists to, commencing January 1, 2025:

- Redeem all beverage container types on the premises with three requirements related to (1) redemption location, (2) redemption signage, and (3) delivery of empty beverage containers received from the public (PRC section 14578(a)(1)(A)-(C));
- or join a dealer cooperative to provide a dealer cooperative redemption plan to CalRecycle and implement the approved plan for redeeming beverage containers in the unserved convenience zone (PRC section 14578(a)(2)(A)).

The Act exempts a dealer from either requirement if its gross annual sales are less than \$1.5 million, excluding fuel sales, or if the dealer is less than 5,000 square feet (PRC section 14578(b)(1) and (2)).

SB 1013 bolsters the intent of the Act by expanding redemption opportunities for consumers to redeem beverage containers at a dealer cooperative redemption site in underserved communities, incentivizing formation of dealer cooperatives with eligibility

for program payments, increasing clean streams of recyclable materials to support a circular economy, and reducing environmental litter by providing accessible and convenient recycling options.

Existing regulations define specific terms by including a list of certified or registered entities.

Existing regulations generally refer to the “Division” or “Division of Recycling”.

Existing regulations generally use the phrase “of these Regulations” after citing to a section of the regulations.

Existing regulations establish processor operating standards, load inspection requirements, and recordkeeping, reporting, and payment provisions.

Existing regulations establish handling fee eligibility, calculation, payment, and appeal provisions.

Existing regulations establish recycling center load inspection requirements, accounting and reporting requirements, and consumer payment provisions.

Existing regulations establish the recycling center certification application process and describe bases on which to deny a recycling center certification application.

### **Effect of The Proposed Action**

These regulations will make conforming changes applicable throughout Chapter 5 to include dealer cooperatives where a list of certified or registered entities is present.

These regulations will generally make conforming changes to replace “Division” with “Department” in any section being amended in this rulemaking action.

These regulations will generally make conforming changes to remove “these regulations” in any section being amended in this rulemaking action.

These regulations will establish definitions for specified terms that are only applicable within the proposed subchapter for dealers and dealer cooperatives.

These regulations will establish a dealer registration process including the required information for registration, submission of the registration, updating a registration, describing when a new registration is required, and timelines for approval or disapproval by CalRecycle.

These regulations will establish when a dealer is required to redeem in-store, including establishing an implementation period for dealer members of a dealer cooperative that submits a stewardship plan within 120 days of the effective date of the regulations.

These regulations will establish a process for a dealer cooperative to submit a stewardship plan to CalRecycle including the required information and contents,

submission process, and how CalRecycle will review the stewardship plan and issue a decision on approval or disapproval.

These regulations will establish a process for a dealer cooperative to submit an operational notice to CalRecycle after stewardship plan approval once the stewardship plan is fully operational.

These regulations will establish a process for a dealer cooperative to submit five-year stewardship plan updates to CalRecycle including the required information, submission process, and how CalRecycle will review the update and issue a decision on approval or disapproval.

These regulations will establish a process for a dealer cooperative to submit stewardship plan changes to CalRecycle, including when notification to CalRecycle is required, describing the required information, establishing the kinds of information that only require notification, and how CalRecycle will review the stewardship plan change and issue a decision on approval or disapproval.

These regulations will establish recordkeeping, reporting, and operational requirements for dealer cooperatives.

These regulations will establish the process by which CalRecycle will enforce violations of the Act and regulations against dealers and dealer cooperatives, including revocation of a stewardship plan, mandatory resubmittal of a stewardship plan, mandatory additional reporting, and the assessment of penalties and interest.

These regulations will make conforming changes to processor operating standards, load inspection requirements, recordkeeping, reporting, and payment provisions to incorporate dealer cooperatives within the regulatory framework to ensure dealer cooperatives may receive program payments for redeemed material delivered to a processor.

These regulations will make changes to the handling fee eligibility, calculation, payment, and appeal provisions of Chapter 5 to ensure that dealer cooperatives may receive handling fees pursuant to a standardized process.

These regulations will make changes to the recycling center load inspection requirements, , accounting and reporting requirements, and consumer payment provisions to impose inspection requirements on dealer cooperatives and to incorporate dealer cooperatives within the existing regulatory framework to ensure they meet standards for operation and paying consumers.

These regulations will revise the recycling center certification application procedures to clarify that CalRecycle may deny a recycling center certification application if the proposed recycling center is located within a convenience zone where a dealer cooperative is operating an approved stewardship plan.

**These proposed regulations do not substantially differ from a comparable federal regulation or statute because there are no existing comparable federal regulations or statutes.**

### **Policy Statement Overview and Anticipated Benefits of the Proposed Regulations**

The broad objectives of the regulation is to increase empty California Redemption Value (CRV) beverage container redemption rates, increase access and convenience to all consumers in every region of California to CRV redemption opportunities, reduce the risk of worker injury by utilizing innovative methods of redemption, incentive the formation of dealer cooperatives by paying these non-profit organizations processing payments, administrative fees, and handling fees, protect the environment for the benefit of the state by reducing the injury to wildlife and reducing litter, and improve the health and welfare of California's residents.

The proposed amendments in these regulations will provide the following anticipated benefits that are aligned with the goal of SB 1013:

- Allows, through dealer registration, an accurate count of all dealers located in convenience zones, to enable CalRecycle to determine which dealers are redeeming beverages in-store, participating in a dealer cooperative, or that are exempt from those requirements pursuant to PRC section 14785(b) due to being a small dealer. This promotes business transparency by ensuring that CalRecycle has the information necessary to answer basic consumer questions as to where and when consumers may redeem empty beverage containers in a convenience zone not served by a recycling center.
- Provides incentives for dealers to participate in a dealer cooperative such as eligibility for program payments under the Act from CalRecycle, including handling fees, administrative fees, processing payments, and reimbursement for the refund value paid out to consumers. This increases recycling, which benefits the environment by reducing litter and landfill disposal of beverage containers.
- Prevents discrimination and promotes fairness and social equity by requiring education materials regarding dealer cooperative redemption to be distributed in languages suitable to the community being served.
- Increases openness and transparency in business and government by requiring the dealer cooperative stewardship plans to be posted on publicly available websites and also by requiring CalRecycle to engage in a public comment process when reviewing a stewardship plan.
- Enables dealer cooperatives to be economically feasible through both of the following: (1) the receipt of program payments and dealer cooperative stewardship fees and (2) protecting a dealer cooperative's investment in its stewardship program from recycling centers that would locate in the same

unserved convenience zones, thereby making the dealer cooperative ineligible for program payments.

- Promotes environmental stewardship through educational awareness to consumers to recycle CRV beverage containers.
- Defines procedures to record and report data on beverage container redemption in specific unserved convenience zones in California. This increases the transparency of businesses in the state.
- Establishes a performance standard for dealer cooperatives to redeem an amount equal to 80% of the beverages containers sold by the dealer members of the dealer cooperative in an unserved convenience zone, which aligns with the 80 percent beverage container recycling goal in PRC section 14501(c).
- Establishes clear standards for a dealer cooperative's compliance with the Act and Regulations while ensuring maximum flexibility for a dealer cooperative to create its own stewardship program that will best serve the needs of the community, rather than imposing a one-size-fits-all approach that has been shown to need improvement due to the large number of convenience zones in the state unserved by traditional recycling centers.
- Increases opportunities for consumers to conveniently recycle CRV beverage containers in unserved convenience zones by allowing dealer cooperatives to tailor redemption services to their community through creation of a stewardship plan.
- Increase-CRV containers that are diverted into clean recycling streams instead of littered into the environment or disposed of in landfills.
- Provides employment and contracting opportunities in unserved convenience zones for persons working to implement a dealer cooperative stewardship program.
- Decreases the risk of negative human health impacts or worker injury resulting from the litter abatement or landfill processing of beverage container material.

These anticipated benefits are also aligned with CalRecycle's policy goals to do all of the following:

- Increase CRV beverage container redemption rates to 80% pursuant to PRC section 14501(c).
- Transition from a disposable, single use system to a society with zero waste.
- Create a network of convenient redemption opportunities for consumers statewide.
- Support California's transition to a circular economy by increasing clean streams of recyclable materials.

- Facilitate resource conservation in the state by providing consumers with beverage container redemption opportunities that are tailored to their communities, thereby increasing convenience and redemption.
- Reduce litter and the associated negative impacts to human health, wildlife, and the environment.
- Protect the environment and climate by providing an economically feasible business model for the redemption and recycling of beverage containers, thereby removing those beverage containers from the waste stream.
- Modernize the beverage container recycling program by implementing an extended producer responsibility stewardship program for the redemption of beverage containers, which has been proven to work in the neighboring state of Oregon.
- Increase the opportunity for small businesses to operate beverage container redemption services in unserved convenience zones under a more flexible model than traditional recycling centers.

### **Consistency With State Regulations**

Pursuant to Government Code (Gov. Code) Section 11346.5(a)(3)(D), CalRecycle conducted an evaluation of existing state regulations. CalRecycle determined that the proposed regulations are neither inconsistent nor incompatible with existing state regulations and that CalRecycle is the only agency that can implement this proposed regulation.

### **INCORPORATION BY REFERENCE**

GAAP - generally accepted accounting principles adopted by the Federal Accounting Standards Advisory Board as published in the handbook entitled “FASAB Handbook of Federal Accounting Standards and Other Pronouncements, as Amended” dated December 15, 2023, which can be accessed here:

[https://files.fasab.gov/pdf/2023\\_FASAB\\_Handbook.pdf](https://files.fasab.gov/pdf/2023_FASAB_Handbook.pdf) (accessed January 25, 2024).

The entirety of the Web Content Accessibility Guidelines (WCAG) 2.0 published in 2008 by the World Wide Web Consortium, which can be accessed here:

<https://www.w3.org/TR/WCAG20/> (accessed January 25, 2024).

### **OTHER STATUTORY REQUIREMENTS (GOVERNMENT CODE SECTION 11346.5(a)(4))**

CalRecycle has determined that no other matters, as prescribed by statute, need to be addressed.



## **MANDATES ON LOCAL AGENCIES OR SCHOOL DISTRICTS**

CalRecycle has determined the following:

Mandate Imposed on Local Agencies or School Districts: None

### **FISCAL IMPACT**

#### **Local Agencies or School Districts Subject to Reimbursement**

CalRecycle has determined that the proposed regulations do not result in costs to any local agency or school district that must be reimbursed as required by Part 7 of Division 4 of Title 2 of the Government Code.

#### **Cost or Savings to Any State Agency**

There will be two areas where there will be a fiscal impact on State Government. The first area is on the costs for staffing specified in the Dealer Registration and Dealer Cooperatives sections of the "Beverage Container Recycling: Implementation (SB 1013)" Budget Change Proposal (BCP) authorized in 2023 and as modified in the CalRecycle Request for Approval dated July 25, 2023 (RFA July 25). The second area is the impact as a result of allowing Dealer Cooperatives to apply for handling fees (see Section C: Estimated Benefits) and its impact on the California Beverage Container Recycling Fund.

To calculate staffing costs, the BCP had to be reconciled with the RFA July 25 to determine staffing costs and adjustments.

- Staffing:
  - \$539,434 in fiscal year 2023-2024 for dealer cooperatives (1 Senior Environmental Scientist (Supervisor) and 3 Environmental Scientists)
  - \$176,608 in fiscal year 2023-2024 for dealer cooperatives (1 Attorney III)
  - Total: \$716,042 in fiscal year 2023-2024
  - \$1,840,820 in fiscal year 2024-2025 for dealer registration (1 Staff Services Manager 1, 5 Associate Governmental Program Analysts, and 10 2-year limited term Associate Governmental Program Analysts)
  - Total: \$2,556,862 in fiscal year 2024-2025, includes both dealer cooperatives and dealer registration staffing costs from the prior bullet points.
  - Total: \$1,414,784 in fiscal year 2025-2026 for both dealer cooperatives and dealer registration because 10 2-year limited term Associate Governmental Program Analysts positions expire beginning in fiscal year 2025-2026.
  - Total: \$1,414,784 ongoing (annual funding) for both dealer cooperatives and dealer registration.

- Handling Fee, Processing Payments, and Administrative Payments made to Dealer Cooperatives<sup>1</sup>:
  - \$4,525,200 in handling fees, processing payments, and administrative payments beginning in fiscal year 2024-2025, calculated for the 6 months that Dealer Cooperatives will begin to be eligible for these payments beginning on January 1, 2025.
  - \$9,050,400 in handling fees, processing payments, and administrative payments beginning in fiscal year 2025-2026 will be an additional draw on the California Beverage Container Recycling Fund.
  - \$9,050,400 in handling fees, processing payments, and administrative payments for each subsequent year until the statute or regulations are repealed.
  - CalRecycle expects these costs to be absorbable by the Beverage Container Recycling Fund.

### **Non-Discretionary Cost or Savings Imposed Upon Local Agencies**

CalRecycle has determined that there are no non–discretionary costs or savings imposed upon any local agencies.

### **Cost or Savings in Federal Funding to the State**

CalRecycle has determined that adoption of these regulations will not have an impact on costs or savings in federal funding to the State.

## **HOUSING COSTS**

CalRecycle has determined that adoption of these regulations will not have no significant effect on housing cost.

## **SIGNIFICANT STATEWIDE ADVERSE ECONOMIC IMPACT DIRECTLY AFFECTING BUSINESS**

CalRecycle has determined that the proposed regulations will not have a significant, statewide adverse economic impact directly affecting business, including the ability of California businesses to compete with businesses in other states. CalRecycle relied on the Economic and Fiscal Impact Statement (STD 399), STD 399 Appendix and ISOR to support this determination. The scope of the proposed regulations is limited to dealer registration and developing a program for dealer cooperatives pursuant to PRC section 14578.5. Where this statute lacks the specificity for an operational and fully implemented approved redemption plan and reporting requirements to CalRecycle, these proposed regulations clarify the definition of impacted businesses, dealer

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<sup>1</sup> The dollar amount for annual handling fees, processing payments, and administrative payments is from Table 10 of the STD 399 Appendix.

registration, procedures for dealers to create non-profit dealer cooperative organizations to collect empty CRV beverage containers, redemption plan components and submittal, recordkeeping and reporting requirements, and enforcement authority for CalRecycle. The goal of the proposed regulatory action is to provide dealers in unserved convenience zones with a new pathway for compliance with their beverage container redemption obligations. For dealers to utilize this option, there are anticipated upfront costs in infrastructure investments and recurring costs in staffing and servicing that infrastructure. However, the benefits available to participating businesses, specifically handling fees, processing payments and administrative fees from CalRecycle, assist to offset the recurring costs of participation. Also, participation in the dealer cooperatives option is voluntary, so if a business determines that this option is less economically efficient than the alternative (in-store redemption), they are free to choose that option instead.

## **RESULTS OF ECONOMIC IMPACT ASSESSMENT**

### **Creation or Elimination of Jobs within the State of California**

CalRecycle has determined that the proposed action will create approximately 103 jobs and eliminate 0 jobs within California. The jobs created are related to developing and reviewing the stewardship plan, and implementation and operation of the dealer cooperative stewardship program.

### **Creation of New Businesses or Elimination of Existing Businesses within California**

CalRecycle has estimated that the proposed action will create 20 new businesses and eliminate 0 existing businesses within California. The new businesses created are the formation of 501(c)(3) non-profit organizations for dealers to comply with PRC section 14578(a)(2).

### **Expansion of Businesses Doing Business within the State**

CalRecycle has determined that the proposed action will create an expansion of business doing business within California. CalRecycle expects an expansion of recycling-related businesses such as processors and transporters.

### **Benefits of the Regulation to the Health and Welfare of California Residents, Worker Safety, and the State's Environment**

CalRecycle has determined that the proposed action will provide benefits to the health and welfare of California residents, worker safety, and the state's environment. The anticipated benefits to the health and welfare of California residents include:

- Increased access to convenient CRV redemption opportunities.

- Consumers will reap the financial gain of CRV redemption by redeeming beverage containers for the refund value at a dealer cooperative redemption site instead of recycling via curbside pickup and passing the financial benefit of the CRV to the mixed recycling hauler.
- Reduced pollution from littered beverage containers and exposure to landfilled and contaminated beverage containers will improve the health of California residents.

The anticipated benefits of worker safety include:

- Use of innovative methods of redemption reduce worker injury through automation, weight limits, bag size restrictions, and limit interaction time of managing bagged contents.
- Reduce landfill worker exposure and litter abatement worker exposure to contaminated beverage containers.

The anticipated benefits of the state's environment include:

- Reduction of environmental litter by requiring dealer cooperatives to create recycling opportunities for consumers and to collect 80 percent of the beverage containers sold in an area.
- Increase the recycling awareness of the public and the ability to utilize dealer cooperative redemption sites over disposing CRV beverages to the environment as litter or in the trash.
- Reduction of beverage container material in landfills and an increase in clean streams of beverage container material used as feedstock for new products.

### **COST IMPACTS TO REPRESENTATIVE PRIVATE PERSON OR BUSINESS**

The proposed regulations will require all retail businesses in convenience zones that sell beverages in beverage containers to consumers to register with CalRecycle, certify registration information annually, and notify CalRecycle of any information changes as needed. The cost impacts of the regulations will stem from the time needed for these activities.

Additionally, some of these businesses located in an area where there are no recycling locations may voluntarily develop a stewardship plan, purchase infrastructure, and retain labor to the stewardship plan including by site and monthly recordkeeping, annual reporting, and a five-year review of the stewardship program, to support convenient accessible opportunities for consumers to return empty beverage containers for the redemption value. The cost impacts of the regulations will stem from the time, labor, and infrastructure needed for: 1) establishing a non-profit stewardship organization, 2) development of a stewardship plan specific to the zone, 3) recordkeeping and reporting

required by the regulations, 4) administrative and recycling services labor, and 5) infrastructure required to establish redemption sites for consumer access. CalRecycle estimates the costs per entity in the first year to be \$19.08 for small businesses and typical businesses, and \$71,635.02 for dealer cooperative typical businesses; each subsequent year is estimated to cost \$4.77 for small businesses and typical businesses, and \$14,620,71 for dealer cooperative typical businesses.

## **BUSINESS REPORT**

The proposed regulation does require a report, and the reporting requirement applies to all applicable businesses. All dealers in California are required to register with CalRecycle, provide notification of any ownership or business operation changes, and on an annual basis recertify its registration. Only those dealers who join a dealer cooperative will be required to submit a 5-year review of the stewardship program and quarterly report of material collection, redemption activities, and education and outreach conducted to demonstrate the stewardship plan is fully implemented and operational. It is necessary for the health, safety, and welfare of the people of the State that the regulations and reporting requirements apply to businesses because reporting is the only method for CalRecycle to ensure that the requirements of the Act are being carried out and that its environmental benefits are achieved.

## **DETERMINATION OF EFFECT ON SMALL BUSINESS**

CalRecycle has determined that the proposed regulations will limitedly affect small businesses. CalRecycle estimates that approximately 73% of all dealer businesses are small businesses, and pursuant to PRC section 14578(b), dealers that do not exceed \$1.5 million in gross annual sales, excluding fuel sales, or are less than 5,000 square feet are exempt from further requirements. Small businesses dealers in unserved convenience zones will be required to register with CalRecycle, provide notice of change in business information or operation, and on an annual basis confirm the registration information is accurate. The STD 399 Appendix estimates the limited financial impact on each affected small business will be approximately \$19.08 for the first year, and \$4.77 for each subsequent year.

## **CONSIDERATION OF ALTERNATIVES**

In accordance with Gov. Code section 11346.5(a)(13), CalRecycle must determine that no reasonable alternative considered by the agency or that has otherwise been identified and brought to the attention of the agency would be more effective in carrying out the purpose for which the action is proposed, would be as effective and less burdensome to affected private persons than the proposed action, or would be more cost-effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

CalRecycle invites interested persons to present statements or arguments with respect to alternatives to the proposed regulations during the written comment period, or at the scheduled public hearing.

## **CONTACT PERSONS**

Inquiries or comments concerning the proposed rulemaking action may be addressed to:

Csilla Richmond  
Dealer Registration and Dealer Cooperatives Permanent Regulations  
Department of Resources Recycling and Recovery, Regulations Unit  
1001 "I" St., MS-24B, Sacramento, CA 95814  
Phone: (916) 327-0089  
Email: [regulations@calrecycle.ca.gov](mailto:regulations@calrecycle.ca.gov)

The backup contact person is:

Craig Castleton  
Dealer Registration and Dealer Cooperatives Permanent Regulations  
Department of Resources Recycling and Recovery, Regulations Unit  
1001 "I" St., MS-24B, Sacramento, CA 95814  
Phone: (916) 327-0089  
Email: [regulations@calrecycle.ca.gov](mailto:regulations@calrecycle.ca.gov)

## **AVAILABILITY STATEMENTS**

### **Availability of Initial Statement of Reasons, Text of Proposed Regulations, Information Upon Which this Proposal is Based, and Rulemaking File**

CalRecycle will have the entire rulemaking file, the express terms of the proposed regulations, and all information that provides the basis for the proposed action, available for public inspection and copying during normal business hours at the address provided above. As of the date this Notice is published in the Notice Register, the rulemaking file consists of this Notice, the text of the proposed regulations, the Initial Statement of Reasons (ISOR), the documents relied upon for the proposed action, and the economic and fiscal impact statement. Copies may be obtained by contacting the contact persons at the address, email, or phone number listed above.

### **Availability of Modified Text**

CalRecycle may adopt the proposed regulations substantially as described in this Notice. If CalRecycle makes modifications that are sufficiently related to the originally proposed text, it will make the modified text, with the changes clearly indicated, available to the public for at least fifteen (15) days before CalRecycle adopts the regulations as revised. Requests for the modified text should be made to the contact persons named above. CalRecycle will transmit any modified text to all persons who

testify at the scheduled public hearing, all persons who submit a written comment at the scheduled public hearing, all persons whose comments are received during the comment period, and all persons who request notification of the availability of such changes. CalRecycle will accept written comments on the modified regulations for fifteen (15) days after the date on which they are made available.

### **Availability of the Final Statement of Reasons**

Upon its completion, copies of the Final Statement of Reasons may be obtained by request from the contact persons identified in this Notice or accessed through CalRecycle's website at <https://calrecycle.ca.gov/Laws/Rulemaking/>.

### **INTERNET ACCESS**

For more timely access to the rulemaking file, and in the interest of waste prevention, interested parties are encouraged to access CalRecycle's Internet webpage for the rulemaking at <https://calrecycle.ca.gov/Laws/Rulemaking/>. All rulemaking files published through CalRecycle's internet website will be available on that page.