

**State of California
Office of Administrative Law**

In re:
Department of Resources Recycling and
Recovery

Regulatory Action:

Title 14, California Code of Regulations

Adopt sections:

Amend sections: 2518

Repeal sections:

**NOTICE OF APPROVAL OF EMERGENCY
REGULATORY ACTION**

**Government Code Sections 11346.1 and
11349.6**

OAL Matter Number: 2025-0527-03

OAL Matter Type: Emergency (E)

Through this emergency regulatory action, the Department of Resources Recycling and Recovery (CalRecycle) amends section 2518, Chapter 5, Division 2, Title 14, of the California Code of Regulations (CCR) establishing a new method for handling fee calculation as mandated by Public Resources Code (PRC) section 14585(h).

OAL approves this emergency regulatory action pursuant to sections 11346.1 and 11349.6 of the Government Code.

This emergency regulatory action is effective on 6/5/2025 and will expire on 7/1/2027. The Certificate of Compliance for this action is due no later than 6/30/2027.

Signature on File

Date: June 5, 2025

Allegra Volonte Anvari
Attorney

For: Kenneth J. Pogue
Director

Original: Zoe Heller, Director
Copy: Emma Cervantes

EMERGENCY

For use by Secretary of State only

OAL FILE NUMBERS	NOTICE FILE NUMBER Z-	REGULATORY ACTION NUMBER	EMERGENCY NUMBER 2025-0527-03
For use by Office of Administrative Law (OAL) only			
NOTICE		REGULATIONS	

ENDORSED - FILED
in the office of the Secretary of State
of the State of California

JUN 05 2025

1:48 PM *ARB*OFFICE OF ADMIN. LAW
2025 MAY 27 AM 11:22

AGENCY WITH RULEMAKING AUTHORITY
Department of Resources Recycling and Recovery

AGENCY FILE NUMBER (If any)

A. PUBLICATION OF NOTICE (Complete for publication in Notice Register)

1. SUBJECT OF NOTICE		TITLE(S)	FIRST SECTION AFFECTED	2. REQUESTED PUBLICATION DATE
3. NOTICE TYPE <input type="checkbox"/> Notice re Proposed Regulatory Action <input type="checkbox"/> Other		4. AGENCY CONTACT PERSON	TELEPHONE NUMBER	FAX NUMBER (Optional)
OAL USE ONLY <input type="checkbox"/> Approved as Submitted <input type="checkbox"/> Approved as Modified <input type="checkbox"/> Disapproved/Withdrawn		NOTICE REGISTER NUMBER		PUBLICATION DATE

B. SUBMISSION OF REGULATIONS (Complete when submitting regulations)

1a. SUBJECT OF REGULATION(S) SB 156 Handling Fee Rate Determination		1b. ALL PREVIOUS RELATED OAL REGULATORY ACTION NUMBER(S)	
2. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (Including title 26, if toxics related)			
SECTION(S) AFFECTED (List all section number(s) individually. Attach additional sheet if needed.)		ADOPT	
TITLE(S) 14		AMEND 2518	
		REPEAL	
3. TYPE OF FILING			
<input type="checkbox"/> Regular Rulemaking (Gov. Code §11346) <input type="checkbox"/> Resubmittal of disapproved or withdrawn nonemergency filing (Gov. Code §§11349.3, 11349.4) <input checked="" type="checkbox"/> Emergency (Gov. Code, §11346.1(b))		<input type="checkbox"/> Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Gov. Code §§11346.2-11347.3 either before the emergency regulation was adopted or within the time period required by statute. <input type="checkbox"/> Resubmittal of disapproved or withdrawn emergency filing (Gov. Code, §11346.1)	
		<input type="checkbox"/> Emergency Readopt (Gov. Code, §11346.1(h)) <input type="checkbox"/> File & Print <input type="checkbox"/> Other (Specify) _____	
		<input type="checkbox"/> Changes Without Regulatory Effect (Cal. Code Regs., title 1, §100) <input type="checkbox"/> Print Only	
4. ALL BEGINNING AND ENDING DATES OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §44 and Gov. Code §11347.1)			
5. EFFECTIVE DATE OF CHANGES (Gov. Code, §§ 11343.4, 11346.1(d); Cal. Code Regs., title 1, §100)			
<input type="checkbox"/> Effective January 1, April 1, July 1, or October 1 (Gov. Code §11343.4(a))		<input checked="" type="checkbox"/> Effective on filing with Secretary of State <input type="checkbox"/> \$100 Changes Without Regulatory Effect <input type="checkbox"/> Effective other (Specify) _____	
6. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY			
<input type="checkbox"/> Department of Finance (Form STD. 399) (SAM §6660) <input type="checkbox"/> Other (Specify) _____		<input type="checkbox"/> Fair Political Practices Commission <input type="checkbox"/> State Fire Marshal	

7. CONTACT PERSON Emma Cervantes	TELEPHONE NUMBER (916) 341-6274	FAX NUMBER (Optional)	E-MAIL ADDRESS (Optional)
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8. I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.

SIGNATURE OF AGENCY HEAD OR DESIGNEE
Emel J. Wadhvani
TYPED NAME AND TITLE OF SIGNATORY
Emel Wadhvani, Chief Counsel

DATE
April 7, 2025

For use by Office of Administrative Law (OAL) only

ENDORSED APPROVED

JUN 05 2025

Office of Administrative Law

PROPOSED REGULATION TEXT

SB 156 Handling Fee Rate Determination

DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY
CALIFORNIA CODE OF REGULATIONS

Note: Amendments are shown in underline to indicate additions and ~~strikeout~~ to indicate deletions from the existing regulatory text. The symbol “* * * **” means that intervening text not proposed for amendment is not shown.

TITLE 14

DIVISION 2

CHAPTER 5. Division of Recycling

AMEND

SUBCHAPTER 6, ARTICLE 2

Amend section 2518, California Code of Regulations, title 14

ARTICLE 2: Handling Fees

Section 2518. Calculations and Payments

(a) The department shall determine handling fee payments for a recycling center meeting the requirements of section 14585 of the Act and section 2516, above, or for a dealer cooperative, based on data contained in the Handling Fee Application Form (Form DR-14 (1/00)) by performing the following calculations:

(1) The reported redemption weights shall be converted to number of empty beverage containers using the department's statewide average containers-per-pound rate for each material type, and pursuant to section 14585(e) of the Act.

(2) The total number of empty beverage containers for the calendar month shall be calculated by summing the number of empty aluminum, glass, plastic and bimetal beverage containers.

(3) The department shall determine the number of empty beverage containers eligible for handling fees pursuant to section 14585(a)(2) of the Act.

~~(4) On and after July 1, 2008, the department shall pay a handling fee per eligible beverage container as determined by the handling fee cost survey required by section 14585(f) of the Act.~~

(b) On and after July 1, 2025, the department shall set the beverage container handling fee, annually, at the higher of the following two amounts:

(1) The difference between the statewide weighted average cost of redeeming an empty beverage container for handling fee recipients and for non-handling fee recipients, as determined by the cost surveys conducted pursuant to section 14585(f)(1) of the Act; or

(2) \$0.0125 per empty beverage container.

(c) The department shall adjust the amount in 2518(b), annually, to reflect changes in California's cost of living as measured by the California Consumer Price Index for All Urban Consumers (California CPI-U) produced by the California Department of Finance or a successor agency using the data as posted on their website for Calendar Year Averages on the third Friday of May of the same calendar year the July 1 new handling fee rate is set.

(1) When the handling fee is set pursuant to section 2518(b)(1), the amount in that paragraph shall be adjusted by the percentage change of the California Index value between the calendar year of the department's most recent cost survey data and the most recently concluded calendar year.

(2) When the handling fee is set pursuant to section 2518(b)(2), the amount in that paragraph shall be adjusted by the California % Change for the most recently concluded calendar year.

(d) If the California CPI-U is no longer published by the Department of Finance or a successor agency, the department shall adjust the handling fee, pursuant to subdivision (c), using another population-weighted average of local area CPI-U's, published by the United States Department of Labor's Bureau of Labor Statistics or a successor agency of the United States government.

(be) Prior to release of handling fees for each month during which a recycling center or dealer cooperative is eligible, the department may determine that such fees should be withheld for any of the following reasons:

(1) The department has prevailed against the recycling center or dealer cooperative in a civil or administrative action and money is owed to the department as a result of the action.

(2) The department determines, based on information contained in the shipping reports filed pursuant to section 2530, that the recycling center or dealer cooperative has received handling fees for materials which were not redeemed for refund value and such discrepancies between reported redemption weights and shipping weights are more than two and one-half percent.

Authority: Section 14530.5, 14536, 14552, and 14578.5 and 14585, Public Resources Code. Reference: Section 14504, 14513.4, 14526.6, 14578, 14578.5 and 14585, Public Resources Code.