

SUBCHAPTER 2: General Requirements

Article 2. Content of Certification Applications

Section 2045. Applications for Recycling Centers, Processors, and Bottle Washer Processors.

(a) To be considered complete, the applications shall contain the following information:

(1) The category of certification requested.

(2) The business address, mailing address, e-mail address, website and telephone number of the organization. The name of the contact person and the following information about the contact person:

(A) Residential address;

(B) Residential phone number;

(C) Mobile phone number;

(D) E-mail address;

(E) A valid Driver License or Identification Card issued by the State of California, or a United States federal or state government-issued photo identification;

(F) Date of birth; and

(G) Social Security Number, on a voluntary basis.

(3) The type of organization which is requesting certification.

(A) If the organization is an individual doing or proposing to do business under a different name, the applicant shall provide a copy of any fictitious business name statement.

(B) If the organization is a partnership, the applicant shall provide a copy of the current partnership agreement and any fictitious business name statement.

(C) If the organization is a corporation, the applicant shall provide the corporate number and Articles of Incorporation and name and position of all current corporate officers as filed with the Secretary of State, any fictitious business name statement, and the agent for service of process.

(D) If the organization is a corporation from a state other than California, the applicant shall provide a copy of the approved certificate from the California Secretary of State qualifying and authorizing the corporation to transact business in California.

(E) If the organization is co-owned by a married couple ~~co-ownership or a registered domestic partnership~~, the applicant shall provide both names and any fictitious business name statement.

(F) If the organization is a local government agency, the applicant shall provide a copy of the authorizing resolution from the governing board.

(G) If the organization is a limited liability company (LLC), the applicant shall provide a copy of the Articles of Organization and Statement of Information as filed with the Secretary of State, any operating agreement, any fictitious business name statement, and the agent for service of process.

(H) If the organization is a limited liability company from a state other than California, the applicant shall provide a copy of their certificate from the California Secretary of State authorizing the LLC to transact business in California.

(4) The federal identification number (employer ID number) of the organization.

(5) A history of past and pending certifications requested from the department.

(6) The name, address, and phone number (if applicable) of the recycling center or processing facility.

(7)(A) The physical location of the facility in relation to the nearest cross street.

(B) For a bottle washer processor, the physical location of the facility in relation to the nearest cross street where the reusable beverage containers will be washed, if different from the physical location specified in subparagraph (A).

(C) For a bag drop recycling center, each physical location in relation to the nearest cross street where beverage container material will be inspected, sorted, or stored, if different from the physical location specified in subparagraph (A).

(8) The name, address and phone number of the owner or leaseholder, if applicable, of the facility premises.

(A) If the applicant owns the property, a current mortgage statement or a current tax bill which specifically identifies the organization name and the facility location.

(B) If applicant is leasing, renting, or operating on donated space, a signed copy of a current lease, rental agreement or written permission from the property owner or leaseholder who has authority to determine use of the specific property shall be provided.

(C) If the applicant purchased the recycling center or processing facility business, the name of the person(s) from whom it was purchased.

(9) Processors and bottle washer processors shall provide the actual days and hours open for business if a regular schedule is maintained or, if a regular schedule is not maintained, processors and bottle washer processors shall indicate that they transact business by appointment only. This is for informational purposes only and does not subject processors or bottle washer processors to the fine and penalty provisions of the Act.

(10) (A) Recycling centers shall provide the actual days and hours open for business.

(AB) For recycling centers which are staffed, "actual days and hours open for business" shall be those days and hours where staff are scheduled to be present and do not include lunch breaks.

(BC) For recycling centers which consist of reverse vending machines, "actual days and hours open for business" shall include all of the following:

(i) The days and hours when the machine is scheduled to be in operation, and

(ii) The days and hours when beverage containers which are odd-sized or made from materials other than aluminum, glass and plastic will be redeemed, and

(iii) The days and hours when any beverage containers not accepted by the reverse vending machine will be redeemed by the host dealer.

(D) For a bag drop recycling center, "actual days and hours open for business" shall be the days and hours when the bag drop recycling center will be accepting all types of empty beverage containers and is paying no less than the minimum CRV rate.

(11) (A) Recycling centers shall state whether the recycling center is requesting to be open fewer than 30 hours per week.

(B) If the department denies a request for a recycling center to be open fewer than 30 hours per week pursuant to section 2030(h), the department shall either approve or deny the application without those reduced hours pursuant to section 2030(g).

(12) With the exception of recycling centers which meet the criteria for grandfathering, processors, and bottle washer processors, acknowledgment that the organization agrees to accept and redeem all types of redeemable beverage containers.

(13) For recycling centers, a general description of the methods used to collect, store and/or cancel redeemed beverage containers. This shall include, but is not limited to, the types of equipment and/or receptacles used and the staffing.

(14) For recycling centers, the organization shall indicate if applying as a rural region recycler or a nonprofit convenience zone recycler.

(15) ~~Recycling~~ Bag drop recycling centers and recycling centers which consist of reverse vending machines shall specify a method for redeeming empty beverage containers which are odd-sized, made from materials other than aluminum, glass and plastic, or otherwise that are not accepted by the bag drop recycling center or

reverse vending machine. In determining whether the method is acceptable, the department shall consider, but not be limited to, the following:

- (A) Convenience to the public,
- (B) Volume of containers sold, and
- (C) Size and shape of containers

(16) For bag drop recycling centers, all of the following:

- (A) A description of how line breakage, scrap, out-of-state, previously baled containers, rejected containers, or otherwise ineligible material will be identified and handled.
- (B) A description of how opened bags, unmarked bags, or loose empty beverage containers will be handled. Any opened bag, unmarked bag, or loose empty beverage container in the bag drop receptacle that the bag drop recycling center is not able to connect to a particular consumer shall be considered forfeit and donated to the operator of the bag drop recycling center. The bag drop recycling center shall not claim refund value or other program payments on forfeited material.
- (C) A list of electronic methods used to communicate with customers, including any websites, smartphone applications, or other electronic means. If using a smartphone application, specify the name of the platform used and whether the application is made available on a public app store, directly from the app developer, or through another method.
- (D) The method of payment of the refund value within three of the bag drop recycling center's business days pursuant to section 14538(d)(3)(B) of the Act, including a description of non-cash forms of payment. In addition to the methods provided in section 2095, a bag drop recycling center is authorized to make payments to consumers electronically, or through rewards, donations, or other methods of payment agreed upon between the consumer and the bag drop recycling center prior to the transaction.
- (E) A description of any fees charged to the consumer for providing the consumer with bags to be placed in the bag drop receptacle.
- (F) A description of any transaction fees charged to the consumer.
- (G) A description of how customer material is uniquely identified.
- (H) A description of how the bag drop recycling center will comply with the consumer daily weight limits specified in section 2500.2(b).

(1617) For processors and bottle washer processors, the type(s) of beverage containers which will be accepted.

(1718) Processors and bottle washer processors shall describe which of the acceptable methods prescribed in section 2000(a)(4) will be used to cancel redeemable beverage containers.

(1819) The name, residence address, including city and zip code, and residence phone number of the applicant. Programs operated by limited liability companies, corporations or governmental agencies are exempt from this provision.

(1920) For an organization seeking certification of a recycling center located on federal land, a written authorization from an authorized agent of the federal government which will allow inspectors from the department to enter the federal property for the purpose of conducting audits and unannounced inspections of the recycling center, pursuant to section 2125.

(2021) For organizations requesting certification to operate a grandfathered facility, evidence that the recycling center was in operation on January 1, 1986, and the types of beverage containers accepted on that date.

(2122) The application voucher number and the name of the person on the application voucher.

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Authority cited: Sections 14530.5, 14536 and 14539, Public Resources Code.
Reference: Sections 14514.7, 14515.6, 14538, 14539, 14540 and 14571, Public Resources Code.

Section 2047. Applications for Mobile Units.

(a) (1) Except as specified in paragraph (2), a recycling center or person applying for recycling center certification is eligible to apply for approval to operate one or more mobile units under the certification number of the recycling center.

(2) A recycling center that has a reverse vending machine or bag drop receptacle onsite is not eligible to apply for a mobile unit unless the recycling center is staffed during all hours of operation with an attendant that will immediately pay the refund value for all material types.

(b) To be considered complete, an application for a mobile unit shall include all of the following:

(1) The certification number of the anchor recycling center.

(2) Whether the anchor recycling center is eligible for handling fees, and, if it is, the basis for that eligibility under section 14585 of the Act and section 2516 of this chapter.

(3) (A) The proposed hours of operation and location address(es) of the mobile unit, which shall be the same either from week to week or from month to month.

(B) If the mobile unit will collect empty beverage containers at the consumer's address, as described in section 2500.5(a)(2), the geographic boundaries in which the mobile unit will operate.

(C) Formal acknowledgement, such as a use agreement or letter, signed by the property owner or property manager that permission is given to use the location(s) for the mobile unit.

(4) Each physical location where beverage container material will be inspected, sorted, or stored, if different from the physical location(s) specified in subparagraph (A) or (B) of paragraph (3).

(5) (A) If the mobile unit is a vehicle, the license plate number of the vehicle.

(B) If the mobile unit is a trailer, all of the following: the license plate number of the trailer, the license plate number of the vehicle pulling the trailer, and the trailer's permanent trailer identification number.

(6) For a mobile unit that consists of a bag drop receptacle, the information specified in section 2045(a)(16).

(7) Each physical location that the mobile unit will be stored when not redeeming empty beverage containers for the anchor recycling center.

(8) Proof of current ownership of the mobile unit by the operator of the anchor recycling center or a signed copy of a current lease or rental agreement authorizing the operator of the anchor recycling center to use the mobile unit.

(c) The department shall review whether an application for a mobile unit is complete within 30 working days of receipt. If the department deems an application complete, the department shall, no later than 60 calendar days after the date when the application was deemed complete, do either of the following:

(1) Approve the application if the application meets the requirements of this section.

(2) Deny the application if the application does not meet the requirements of this section and include in the denial letter the basis for the denial specified in this section.

(d) The department shall deny an application for a mobile unit in any of the following circumstances:

(1) The anchor recycling center is on prepayment or postpayment inspection status with the department, as described in section 14552(a) of the Act.

(2) The certification history of the anchor recycling center demonstrates outstanding fines, outstanding penalties, or outstanding amounts owed pursuant to a final audit finding or a final investigation finding.

(3) The anchor recycling center's certification history demonstrates a pattern of operation in conflict with the requirements of the Act and this chapter.

(4) The mobile unit proposes to operate in a convenience zone where a recycling center other than its anchor recycling center or a pilot project recycler operates.

(5) The mobile unit proposes to operate in an unserved convenience zone where at least one dealer cooperative is implementing a fully operational stewardship plan.

(6) The mobile unit already operates for another recycling center, a pilot project recycler, or a dealer cooperative.

(e) The department's denial of a mobile unit application is final and not subject to reconsideration.

(f) The department shall require an applicant to provide additional information if necessary to corroborate or clarify the information provided in the mobile unit application and the applicant shall provide that information within 10 days of the department sending the request via email to the contact person's email address provided in the certification application.

(g) Upon approving an application for a mobile unit, the department shall provide, at the request of the anchor recycling center, the anchor recycling center with a duplicate or digital version of the anchor recycling center's certification sign to display in accordance with section 2500.5(c)(5).

Authority: Section 14536, Public Resources Code. Reference: Section 14538, Public Resources Code.

Section 2060. Certification Required.

(a) With the exception of section 2060(b), the certificate shall be kept on file at the recycling and/or processing facility. An operator may request that the certificate be kept on file at another location, and the ~~Division~~ department shall grant approval of such request when the request is submitted in writing and the following conditions are met:

(1) A facsimile of the certificate with a statement indicating where the original certificate is maintained is kept on file at the recycling and/or processing facility, and

(2) The original certificate is maintained at the main business office of the operator where records and reports meeting the requirements of ~~Article~~ article 3 of subchapter 5 and ~~Article~~ article 3 of subchapter 6 ~~of these regulations~~ are maintained.

(b) The certificate issued to the operator of a reverse vending machine, bag drop recycling center, dropoff or collection program, or community service program shall be kept on file at the main business office of the operator where records and reports meeting the requirements of ~~Article~~ article 3 of subchapter 5 and ~~Article~~ article 3 of subchapter 6 of these regulations are maintained.

(c) With the exception of probationary certificates and certificates whose term is otherwise limited by law, the certificate for recycling centers and processors shall be valid for five (5) years and the certificate for dropoff or collection programs and community service programs shall be valid for two (2) years from the date the certification application is approved by the ~~Division~~ department, or until such time as it is surrendered by the operator, or suspended or revoked by the ~~Division~~ department.

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Authority cited: Sections 14530.5(b) and 14536(b), Public Resources Code. Reference: Sections 14511.7, 14538 and 14539 Public Resources Code.

SUBCHAPTER 6: Recycling Centers

Article 1. Requirements for Recycling Centers

Section 2500. Operation Standards.

(a) With the exception of recycling centers which meet the criteria for grandfathering, all certified recycling centers shall operate in accordance with all of the following requirements:

(1) Recycling centers certified by the department shall begin operation within sixty (60) calendar days of approval of the certification. Failure to begin operating within sixty (60) calendar days shall result in invalidation of the certification by the department.

(2) The recycling center shall accept from customers all of the following:

(A) All types of redeemable beverage containers; and

(B) With the exception of reverse vending machines, refillable beer and malt beverage containers.

(3) The recycling center shall make all payments in accordance with section 2535.

(4) Unless an exception is provided for elsewhere in this chapter, each certified recycling center shall be open for business during the following hours:

(A) At least thirty (30) hours per week, and

(B) At least five (5) hours per week shall be other than 9:00 a.m. to 5:00 p.m. on Monday through Friday.

(5) Notwithstanding paragraph (4), the department may require a recycling center to operate up to fifty (50) percent of its hours of operation other than during 9:00 a.m. to 5:00 p.m. if the department can demonstrate it is necessary to further the goals of the Act as specified in section 14501 of the Act.

(b) (1) A recycling center which is staffed and is not a reverse vending machine or bag drop recycling center shall have an employee present during its posted hours and shall display a sign having a minimum size of two feet by two feet (576 square inches) informing the public that the recycling center is open for business. Where local zoning or ordinance restricts the size of the sign to less than two feet by two feet, the sign shall be the maximum size allowable. Where the physical location of the posted sign restricts the size of the sign, a sign varying from the specifications contained in this section may be posted if requested in writing and approved in writing by the department. The sign shall contain, at a minimum, the word "OPEN" in lettering at least 10 inches in height.

~~(42) If the recycling center consists of~~ has dropoff receptacles for people who would like to leave empty beverage containers without ever receiving the refund value with refund value payment occurring elsewhere on the property, the operator of the recycling center shall take the following actions:

(A) A sign shall be placed on or at the front of the receptacles with lettering of at least $\frac{3}{8}$ inch in height which informs the customer that all types of empty beverage containers will be accepted and redeemed at all open check-out stands, or exactly where on the property the customer may redeem the beverage containers. The sign shall also inform the customer with lettering of at least $\frac{3}{8}$ inch in height that no refund value will be paid for empty beverage containers deposited into these dropoff receptacles.

(B) A person shall be present during the hours posted at the recycling center to inspect the empty beverage containers pursuant to ~~Article~~ article 3 of this subchapter and pay customers the refund value.

(C) A sign shall be posted during the hours open for business at the designated area where the public may redeem beverage containers. The sign shall contain, at a minimum, the words "OPEN" and "RECYCLING CENTER." The word "OPEN" shall consist of lettering at least 10 inches in height. The words "RECYCLING CENTER" shall be on a separate line and consist of lettering at least $3\frac{1}{2}$ inches in height.

(3) Paragraph (2) does not apply to bag drop receptacles or reverse vending machines because bag drop receptacles and reverse vending machines pay out the refund value.

(c) An operator of a recycling center who does not accept all types of redeemable beverage containers may continue to do so and shall be certified as a recycling center, provided all of the following conditions are met:

- (1) The recycling center was operating in the same location on January 1, 1986, or if it is a reverse vending machine, the machine was operational on January 1, 1986;
 - (2) The recycling center did not accept all types of redeemable beverage containers at the same location as of January 1, 1986; and
 - (3) The recycling center continues to redeem, at a minimum, those beverage containers it accepted at the same location as of January 1, 1986.
- (d) A recycling center which meets the criteria to be grandfathered shall make payments in accordance with section 2535.
- (e) Each certified recycling center which does not utilize a reverse vending machine or bag drop receptacle shall post the following near the certification sign provided by the department and in a conspicuous location which can be easily seen by the public:
- (1) A legible sign indicating its hours of operation; and
 - (2) A refund price sign indicating the prices paid by weight or per container and by material type (i.e. aluminum, glass, plastic or bimetal). A refund price sign shall meet the following specifications:
 - (A) Dimensions. The sign shall be two feet by two feet (576 square inches).
 - (B) Content. In addition to the prices paid as required in subsection (e)(2) above, the sign shall contain, at a minimum, the statements as indicated in Figure 9. A refund price sign varying from the specifications of this section may be posted if requested in writing and approved in writing by the department.
 - * Refund is not paid for packaging, contamination such as dirt or moisture, nor beverage containers not properly labeled with the California redemption value message.
 - * This recycler will discount the refund value, and may discount scrap value for loads of containers which include nonredemption material.
 - * The consumer has the right to:
 - a. Accept a discounted refund and/or scrap price.
 - b. Separate refund from nonrefund material.
 - c. Take material back.

Figure 9.

- (f) Each certified recycling center utilizing a reverse vending machine shall post the following on each machine near the certification sign provided by the department:
- (1) A legible sign indicating its hours of operation, and

(2) A refund price sign or decal indicating the prices paid by weight or per container for each material type accepted by that reverse vending machine. The refund price sign or decal shall be at a minimum 15 square inches with lettering of at least $\frac{3}{8}$ inch in height. A refund price sign or decal not meeting the requirements of this section may be posted if requested in writing and approved in writing by the department.

(3) A sign which specifies the method approved by the department for redeeming empty beverage containers ~~which are odd sized, made of materials other than aluminum, glass or plastic, or otherwise that are not accepted by the reverse vending machine~~ or if the reverse vending machine is out of order. If in-store redemption is the alternative method, a sign which is at a minimum 120 square inches with lettering of at least $\frac{1}{2}$ inch in height shall be posted which specifies that containers will be redeemed at all open cash registers or the sign must designate exactly where redemption will occur.

(A) If beverage containers are not redeemed at all open registers, a sign shall be posted where refund value payment occurs within the store. The sign shall contain, at a minimum, the words "Redeem CA beverage containers here", and consist of lettering at least 3 inches in height.

(g) The operator of a certified recycling center shall maintain records and submit reports regarding redemption activities in compliance with ~~Article~~ article 3 of this subchapter.

(h) Notwithstanding section 2060(e), if all of the requirements of section 2525(k) are met, a certified recycling center may collect, and pay refund value for, empty beverage containers at a church, school, business where beverages are consumed, or other community service organization.

Authority cited: Sections 14530.5 and 14536, Public Resources Code. Reference: Sections 14501, 14515.6, 14538, 14571, 14571.3, 14572 and 14572.5, Public Resources Code.

Section 2500.2. Operation Standards for Bag Drop Recycling Centers.

(a) In addition to the requirements set forth in section 2500, a bag drop recycling center, as defined in Public Resources Code section 14503.5.1, shall comply with the requirements of this section.

(b) A bag drop recycling center shall pay the refund value for no more than 25 pounds of aluminum, plastic, multi-layer pouch, or paperboard carton beverage containers, 50 pounds of bag in box beverage containers, or 100 pounds of glass beverage containers received from a given consumer per day. For any material received from a consumer in excess of these weight limits, the bag drop recycling center is authorized to pay the consumer the scrap value, but shall not pay in excess of the scrap value for the additional material.

(c) A bag drop recycling center is authorized to charge consumers for the following:

(1) A fee for bags provided to consumers to be placed in the bag drop receptacle that are premarked with a barcode or other identification to uniquely identify the consumer's load for redemption of empty beverage containers. The fee shall not exceed the bag drop recycling center's direct cost for the bag. The bag drop recycling center shall provide, upon request of the department within 10 days of the request being sent via email to the contact person's email address provided in the certification application, documentation of the bag drop recycling center's direct cost for the bag.

(2) A transaction fee. The fee shall not exceed the cost of the electronic payment fee charged to the bag drop recycling center by a digital vendor for a financial transaction. The bag drop recycling center shall provide, upon request of the department within 10 days of the request being sent via email to the contact person's email address provided in the certification application, documentation of the cost charged to the bag drop recycling center by a digital vendor for a financial transaction.

(d) In addition to the requirements set forth in section 2501, a bag drop recycling center shall do all of the following:

(1) Segregate any line breakage, previously redeemed, previously baled, rejected, or out-of-state containers from eligible beverage containers for each transaction.

(2) Create and maintain a record of the line breakage, previously redeemed, previously baled, rejected, or out-of-state containers per transaction. The record shall contain the count or weight of the material, material type, customer's name, and if available, the customer's contact information.

(3) Deliver the segregated line breakage, previously redeemed, previously baled, rejected, or out-of-state material to a processor. All such material is ineligible for refund value. When delivering the material to a processor, the bag drop recycling center shall keep the line breakage, previously redeemed, previously baled, rejected, or out-of-state containers segregated from any other material being delivered to the processor at the same time. Notwithstanding section 2401, processors shall pay the refund value for all eligible material delivered from a bag drop recycling center regardless of whether the material was delivered at the same time as ineligible material so long as the load was segregated.

(e) A bag drop recycling center shall provide immediate access to the department to any storage or inspection location upon request. A bag drop recycling center shall not store empty beverage container material at a residential address.

(f) (1) Prior to accepting material, a bag drop recycling center shall provide a notice to consumers containing the following statements:

(A) The refund value is not paid for packaging, contamination such as dirt or moisture, or beverage containers not properly labeled with the California redemption value message, as specified in section 14561 of the Act, or that is otherwise ineligible for redemption.

(B) The bag drop recycling center will discount the refund value, and is authorized to discount scrap value, for loads of containers that include nonredemption material.

(C) The bag drop recycling center is authorized to weigh and inspect the beverage containers at a different location than where the containers are delivered. All deliveries of beverage containers to the bag drop recycling center are subject to reduction of the refund value as described in subparagraphs (A) and (B). All deliveries to the bag drop recycling center are final.

(2) If the bag drop recycling center uses a smartphone application, website, or other electronic means to communicate with or pay the refund value to consumers, the bag drop recycling center is authorized to alternatively provide the notice specified in paragraph (1) through the smartphone application, website, or other electronic means.

(g) (1) In addition to the signage requirements of section 2065, a bag drop recycling center shall display the following signs on the bag drop receptacle:

(A) Payment method sign. A bag drop recycling center issuing payment to consumers via a method other than as provided in section 2095 shall display a sign informing consumers of all alternative forms of payment offered by the bag drop recycling center.

(B) Daily purchase limits. A bag drop recycling center shall display a sign informing consumers of the consumer daily weight limits specified in subdivision (b).

(C) A bag drop recycling center shall display a sign explaining what types of materials it cannot redeem using the bag drop receptacle and how the bag drop recycling center will redeem those types of materials.

(D) Alternative recycling locations. A bag drop recycling center shall display a sign that includes the address of the nearest recycling center that is not a bag drop recycling center or reverse vending machine where consumers can receive immediate payment of the refund value for all beverage container types. If the bag drop recycling center charges a bag fee or a transaction fee to the consumer, the sign shall specify that the consumer is able to redeem empty beverage containers at the alternative recycling location without being charged a bag fee or a transaction fee.

(E) Non-operational equipment/full receptacle. A bag drop recycling center shall display a sign if the bag drop receptacle is non-operational or is full and cannot

accept any more of a particular container material type. The sign shall include the nearest recycling center that is not a bag drop recycling center or reverse vending machine where consumers can receive immediate payment of the refund value for all beverage container types.

(F) Contacting the operator. A bag drop recycling center shall display a sign providing a method of contact to notify the bag drop recycling center in the event the equipment is non-operational.

(G) Fees and payments. A bag drop recycling center shall display a sign that includes all of the following:

(i) The timeframe in which payment will be issued.

(ii) How questions or complaints will be addressed by the bag drop recycling center.

(iii) If applicable, the amount of the fee charged to the consumer for providing the consumer with bags to be placed in the bag drop receptacle.

(iv) If applicable, the amount of the transaction fee charged to the consumer.

(2) If the bag drop recycling center uses a smartphone application, website, or other electronic means to communicate with or pay the refund value to consumers, the bag drop recycling center is authorized to alternatively notify consumers of the information specified in paragraph (1) through the smartphone application, website, or other electronic means.

(h) The signs required by this section shall be displayed conspicuously in places easily seen by the public at all times the bag drop recycling center is open to the public. All signs shall be legible.

(i) A bag drop receptacle shall be kept secure by the bag drop recycling center by ensuring both of the following:

(1) That a deposit of empty beverage containers in a sealed bag cannot be withdrawn from the bag drop receptacle by anyone other than the bag drop recycling center.

(2) That a deposit of empty beverage containers in a sealed bag is protected from debris, moisture, contamination, hazardous waste, fire, and theft.

Authority: Section 14536, Public Resources Code. Reference: Section 14538, Public Resources Code.

Section 2500.3. Terms and Conditions for Bag Drop Receptacle Operators.

(a) (1) The operator of a bag drop receptacle is authorized to require a consumer's acceptance of terms and conditions prior to allowing that same consumer to use the bag drop receptacle.

(2) For purposes of this section, the operator of a bag drop receptacle includes an anchor recycling center operating a mobile unit that consists of one or more bag drop receptacles, a recycling center that has a bag drop receptacle onsite, or a bag drop recycling center.

(b) (1) The operator of a bag drop receptacle is authorized to use a smartphone application, website, or other electronic means to manage transactions with consumers who seek to use the bag drop receptacle, including, but not limited to, the establishment of an account for the consumer, communicating information about the consumer's account, and transmitting payment(s) to the consumer's account.

(2) If the operator of a bag drop receptacle uses a smartphone application, website, or other electronic means to manage transactions with consumers who seek to use the bag drop receptacle, the operator of the bag drop receptacle is authorized to make each consumer's acceptance of terms and conditions as authorized in subdivision (a), above, a precondition to the establishment of each consumer's account by electronic means.

(c) If the operator of a bag drop receptacle requires consumers to accept terms and conditions in order to use the bag drop receptacle, as authorized in subdivision (a), above, the terms and conditions shall be applied to all consumers who use the service and include the following information:

(1) How to use the bag drop receptacle in order to receive payment of the refund value, including acceptable bags and how to obtain and label the bags, as necessary, and any technical requirements.

(2) How to use any smartphone application, website, or other electronic means the operator of the bag drop receptacle uses to manage transactions with consumers.

(3) The information required to be displayed in physical signs on the bag drop receptacle or using a smartphone application, website, or other electronic means of communicating with the consumer, as specified in section 2500.2(g) for bag drop recycling centers and section 2500.5(d)(4) for mobile units that consist of bag drop receptacles.

(4) A link to the department's website at <https://www2.calrecycle.ca.gov/wheretorecycle/>, which a consumer can use to locate an alternative recycling location.

(5) Under what circumstances violation of the terms and conditions will result in the consumer's account being banned, as described in subdivision (d), below, including how long the ban will last.

(d) The operator of a bag drop receptacle is authorized to place restrictions on consumers for misuse of the service as follows:

(1) When a consumer deposits material in excess of the weight limits set forth in section 2500.2(b), this shall result in forfeiture of the overage to the operator of the bag drop receptacle and nonpayment to the consumer of the refund value. The operator of the bag drop receptacle shall not claim refund value or other program payments on forfeited material.

(2) The operator of a bag drop receptacle is authorized to refuse to redeem contaminated material or adjust downward the refund value per pound used to calculate payment by the ratio of the contamination to empty beverage containers, consistent with section 2535(e). The operator of the bag drop receptacle shall not claim refund value or other program payments on the portion of the refund value that has been reduced.

(3) The following types of consumer misuse are grounds for the operator of a bag drop receptacle to ban the consumer from using the service, temporarily or permanently:

(A) Abusive conduct, including, but not limited to, using another consumer's account, creating an account using false credentials, or submitting previously baled material, previously redeemed material, line breakage, rejected, or out-of-state containers.

(B) Depositing contaminated or ineligible materials that pose a health and safety risk to a handler of the materials.

(e) Any empty beverage container material left in a bag drop receptacle by a consumer, after the operator of the bag drop receptacle has banned that same consumer from using the bag drop receptacle, shall be considered forfeit and donated by the consumer to the operator of the bag drop receptacle. The operator of the bag drop receptacle shall not claim refund value or other program payments on forfeited material.

(f) The operator of a bag drop receptacle shall keep records documenting the forfeiture of material placed in the operator's bag drop receptacle, including the date the material was received, either the count or the weight of the forfeited material, and the reason for forfeiture (such as exceeds weight limit, contamination, health and safety risk), for a period of five (5) years from the date the material was received by the operator of the bag drop receptacle.

(g) The operator of a bag drop receptacle is not required to return material, or make payment to a consumer for material, that was destroyed during a state of emergency, as defined in section 2503(a)(4), provided that both of the following conditions are met:

(1) The material was destroyed by the cause of the state of emergency after being deposited into the bag drop receptacle by the consumer.

(2) The operator of the bag drop receptacle maintains evidence of the declaration of the state of emergency from a government source, and notification to all impacted consumers, for a period of five (5) years following the official government declaration of the state of emergency.

(h) The provisions of this section do not apply to the operation or use of reverse vending machines.

Authority: Section 14536, Public Resources Code. Reference: Section 14538, Public Resources Code.

Section 2500.5. Operation Standards for Mobile Units and Anchor Recycling Centers.

(a) A mobile unit shall operate in one or both of the following ways:

(1) The mobile unit arrives at the location where the mobile unit will redeem empty beverage containers at the beginning of the mobile unit's business day and vacates that location at the conclusion of the mobile unit's business day. This includes, but is not limited to, a mobile unit consisting of a reverse vending machine, whether staffed or not, a bag drop receptacle, whether staffed or not, and a mobile unit consisting of a staffed location where material is weighed by an attendant for immediate payment of the refund value.

(2) The mobile unit collects empty beverage containers at one or more consumer address(es).

(b) An anchor recycling center shall not operate a mobile unit that is not owned, leased, or rented by the anchor recycling center operator.

(c) A mobile unit shall operate in accordance with all of the following:

(1) Accept from consumers all types of beverage containers.

(2) Begin operation within 60 days of approval under section 2047(c)(1). Failure to begin operating within 60 days shall result in invalidation of the approval by the department.

(3) (A) Except as specified in subparagraph (B), operate in accordance with the hours and address(es) specified in the mobile unit application.

(B) The mobile unit shall notify the department electronically in writing 10 days before making a change to the hours and address(es) of operation specified in the mobile unit application. If the notice specifies a new address(es) of operation, the notice shall include formal acknowledgement, such as a use agreement or letter, signed by the property owner or property manager that permission is given to use the location(s) for the mobile unit.

(4) Deliver all collected empty beverage containers to its anchor recycling center at the conclusion of the business day during which the empty beverage containers were received.

(5) (A) Post the following signs on the mobile unit in a conspicuous location that can be easily seen by the public:

(i) A sign having a minimum size of two feet by two feet (576 square inches) informing the public that the mobile unit is approved by the state as a beverage container recycling mobile unit.

(ii) The signage described in sections 2500(e)(1) and (e)(2), which satisfies the dimensions specified in (e)(2)(A) and excludes the signage described in (e)(2)(B).

(iii) A sign with the address of the anchor recycling center with a notice that consumers can receive immediate payment of the refund value for all beverage container types at that address. If the mobile unit charges a bag fee or a transaction fee to the consumer, the sign shall specify that the anchor recycling center is staffed and the consumer is able to redeem empty beverage containers at the anchor recycling center without being charged a bag fee or transaction fee.

(iv) A duplicate of the certification sign provided by the department for the anchor recycling center. Alternatively, the mobile unit is authorized to make a duplicate or digital version of the certification sign provided by the department for the anchor recycling center available upon request instead of posting it.

(B) All signs required pursuant to subparagraph (A) shall be legible.

(6) Comply with the payment per count provisions specified in section 2535(b).

(7) If the mobile unit will collect empty beverage containers at the consumer's address, as described in section 2500.5(a)(2), comply with the consumer daily weight limits specified in section 2500.2(b).

(8) If the mobile unit will collect empty beverage containers at the consumer's address, as described in section 2500.5(a)(2), prepare and maintain records of an up-to-date list of all pickup locations that includes the first and last name of the consumer, the consumer's address, and the consumer's primary phone number.

(9) Not operate in a convenience zone in which a recycling center other than its anchor recycling center, a pilot project recycler, or a dealer cooperative operates.

(10) (A) Except as specified in subparagraph (B), only store or operate the mobile unit in a location specified in the mobile unit application.

- (B) The mobile unit shall notify the department electronically in writing 10 days before making a change to any storage or operation location of the mobile unit specified in the mobile unit application.
- (11) Not operate for any of the following in addition to its anchor recycling center: another recycling center, a pilot project recycler, or a dealer cooperative.
- (12) Comply with section 2500.2(i) relating to the security of the bag drop receptacle.
- (d) A mobile unit that consists of a bag drop receptacle or reverse vending machine shall do all of the following:
- (1) Comply with the consumer daily weight limits specified in section 2500.2(b).
 - (2) Comply with section 2500.2(d) relating to ineligible material, except that the ineligible material shall be delivered to the anchor recycling center instead of a processor.
 - (3) Provide the notice specified in section 2500.2(f).
 - (4) Post the signage specified in sections 2500.2(g)(1)(A), (B), (F), and (G) on the bag drop receptacle or reverse vending machine, subject to section 2500.2(g)(2), and comply with section 2500.2(h).
- (e) A mobile unit that consists of a bag drop receptacle or reverse vending machine, or that collects empty beverage containers at the consumer's address, as described in section 2500.5(a)(2), is authorized to charge consumers for the fees specified in section 2500.2(c), subject to the requirements of that subdivision.
- (f) A mobile unit shall not deliver empty beverage containers to a recycling center other than its anchor recycling center or to a processor.
- (g) (1) Notwithstanding section 2516, regardless of the hours or address(es) of operation of a mobile unit, an anchor recycling center is eligible for handling fees for empty beverage containers collected by its mobile unit if the anchor recycling center is eligible for handling fees on its own.
- (2) An anchor recycling center that is not eligible for handling fees on its own is not eligible for handling fees for empty beverage containers collected by its mobile unit.
- (h) Within three of the anchor recycling center's business days following delivery of empty beverage containers from its mobile unit, an anchor recycling center shall inspect the empty beverage containers delivered to it by its mobile unit and, subsequent to that inspection, pay the refund value to the consumer. Alternatively, a mobile unit is authorized to inspect and pay the refund at the time the empty beverage containers are accepted.
- (i) An anchor recycling center or mobile unit shall provide immediate access to the department to any storage, operation, or inspection location, or to the mobile unit, upon

request. An anchor recycling center or mobile unit shall not store empty beverage container material at a residential address.

(j) (1) For a mobile unit at which containers are inspected and weighed at the time and location containers are delivered, the anchor recycling center shall prepare and maintain records for empty beverage containers accepted by its mobile unit in accordance with sections 2525(a), (b), and (d) to (k), inclusive.

(2) For a mobile unit that inspects and weighs containers at a time and location other than when and where the containers are delivered, the anchor recycling center shall prepare and maintain records for empty beverage containers accepted by its mobile unit in accordance with sections 2525(c) to (k), inclusive.

(3) For records prepared and maintained in accordance with section 2525, the certification number of the anchor recycling center shall be appended with an "M" (for example, "RC12345M") and the listed address shall be the address at which the mobile unit accepted the empty beverage containers.

(4) Except as specified in paragraph (5), the records for each mobile unit shall be maintained separately from the records for empty beverage containers redeemed at the anchor recycling center.

(5) The anchor recycling center shall include the empty beverage containers accepted by its mobile unit each day in the daily summaries prepared by the anchor recycling center pursuant to section 2525(i).

(k) (1) A mobile unit or an anchor recycling center that fails to comply with any applicable requirement of the Act or this chapter constitutes grounds for the department to rescind the approval of the mobile unit.

(2) Within 30 days of the department notifying the operator of an anchor recycling center that the department intends to rescind the approval of the mobile unit due to the anchor recycling center or the mobile unit violating the Act or this chapter, the operator of the anchor recycling center is authorized to request an informal hearing conducted pursuant to Article 10 (commencing with section 11445.10) of Chapter 4.5 of Part 1 of Division 3 of Title 2 of the Government Code. An anchor recycling center operator's failure to respond within 30 days of the date the notification is sent by the department constitutes grounds for the right to a hearing to be deemed waived. The notification will be sent via email by the department to the contact person's email address provided in the certification application.

(l) A mobile unit or an anchor recycling center that fails to comply with any applicable requirement of the Act or this chapter constitutes grounds for the department to revoke the anchor recycling center's certificate pursuant to section 2130. The department shall only proceed with revocation under this subdivision if it determines that rescinding the approval of the mobile unit under subdivision (k) is inadequate considering the severity of the violation of the Act or this chapter.

Authority: Section 14536, Public Resources Code. Reference: Section 14538, Public Resources Code.

Section 2505. Notification Requirements.

(a) Notwithstanding the requirements of section 2040 of these regulations, certified recycling centers shall notify the Division department in writing ten (10) calendar days prior to any of the following events:

* * * *

(8) Any change in the hours of operation as presented in the application for certification or by subsequent notification to the Division department,

(9) For bag drop recycling centers and recycling centers which consist of reverse vending machines, a change in the method approved by the Division department for redeeming empty beverage containers ~~which are odd-sized, made of materials other than aluminum, glass, and plastic, or otherwise that are not accepted by the bag drop recycling center or reverse vending machine, or~~

* * * *

(b) Within five (5) calendar days of the date the recycling center began redeeming empty beverage containers, the operator of the recycling center shall notify the Division department in writing of the actual date the recycling center began redeeming by submitting the Operation Date Card. The Operation Date Card shall contain the date of operation and confirmation that the operator obtained all applicable local, county, state, and federal authorization, permits and licenses required for operation of the recycling center at that location. The Operation Date Card shall be signed by the operator under penalty of perjury. Failure to do so or to provide an accurate date will result in denial of handling fee payments for the months the operator failed to notify, or provide an accurate date to, the Division department.

(c) The operator of a supermarket site shall notify the Division department in writing, within ten (10) working days, of the closure of the supermarket or dealer where the recycling center is located.

(d) The operator of a certified recycling center who intends to be decertified shall submit a written notification to the Division department, which includes the proposed effective date.

(e) The operator of a supermarket site shall notify the Division department in writing, within five (5) calendar days, if the recycling center is moved within the supermarket or dealer parking lot. Nothing in this section is intended to require a recycling center to report to the Division department movement related to the emptying of recycling equipment.

(f) Should the person named on the application voucher become disassociated with the operator of a certified recycling center, the operator shall notify the ~~Division~~ department in writing, within ten (10) calendar days of the change.

Authority cited: Section 14536(b), Public Resources Code. Reference: Sections 14515.6, 14526.6, 14538, 14571(d) and 14585, Public Resources Code.

Article 3. Accounting and Reporting Requirements

Section 2525. Recordkeeping.

Recycling centers shall maintain the following records in accordance with the general requirements set forth in section 2085 ~~of these regulations~~.

(a) Except for reverse vending machines and bag drop recycling centers as provided in subsection 2525(c) below, the recycling centers shall prepare and maintain a copy of a press pre-numbered receipt or a receipt produced by an automatic computer-generated numbering system that cannot be altered by the participant, for any purchase or donation of empty beverage containers in the amount of one hundred dollars (\$100.00) or more in refund value. A copy of the receipt shall be provided to the person selling or donating the material, and shall include all of the following information:

* * * *

(b) Except for reverse vending machines and bag drop recycling centers as provided in subsection 2525(c) below, for all purchases or donations with a total refund value of less than one hundred dollars (\$100.00), the recycling center shall either prepare a receipt pursuant to subsection 2525(a), or shall maintain a log setting forth the information required by subsections (a)(1) through (a)(6) above. Any item of additional identifying information specified in subsection 2525(a)(7) above may be substituted for the printed name of the person selling or donating the material.

(c) For all material received from a reverse vending machine owned or operated by the recycling center or from a bag drop recycling center, the recycling center shall prepare a receipt or log each time material is removed from the reverse vending machine or from the bag drop recycling center's bag drop receptacle, or if material is removed more than once a day, on a daily basis. The receipt or log shall set forth the meter reading, date, total weight, and certification number. Recycling centers shall retain such receipts or logs in their records along with the copies of any receipts issued by the machine. For redemption transactions other than machine transactions or redemption transactions of bag drop recycling centers, receipt and log requirements pursuant to 2525(a) or (b) shall be followed.

* * * *

(g) The recycling center shall retain a copy of any report to the ~~Division~~ department for handling fee prepared pursuant to section 2530 ~~of these regulations~~.

* * * *

Authority cited: Sections 14530.5 and 14536, Public Resources Code. Reference: Sections 14537, 14538, 14552, 14575 and 14585, Public Resources Code.

Section 2535. Payments to Consumers, Curbside Programs, Community Service Programs and Dropoff or Collection Programs.

(a) Recycling centers shall pay on delivery the refund value for every empty beverage container not donated to the recycling center.

(b) For deliveries to a recycling center, except reverse vending machines and bag drop recycling centers:

(1) The consumer has the option of being paid based on count for up to 50 empty beverage containers of each material type.

(2) The recycler may pay based on count for all deliveries of empty beverage containers received from consumers.

(c) Notwithstanding any other provision of this subchapter, recycling centers shall not pay dropoff or collection, community service, and curbside programs more than the relevant commingled rate.

(d) Calculation of Payment.

(1) If the material received from consumers is segregated, as determined by the load inspection required by section 2501 ~~of these regulations~~, and payment is based upon weight, payment shall be calculated by multiplying the actual weight of the empty beverage containers, by the applicable segregated refund value per pound for the relevant material type.

(2) If the payment is based on the actual number of empty beverage containers, the payment shall be based upon the following:

(A) in the case of recycling centers other than a reverse vending machine or bag drop recycling center, the number of the empty beverage containers, multiplied by the refund value per empty beverage container for the relevant material type and size; or,

(B) in the case of a reverse vending machine or bag drop recycling center, the number of empty beverage containers, multiplied by the refund value per empty beverage container for the relevant material type and size. If the reverse vending machine accepts empty beverage containers in gross, rather than by individual containers, and pays based on weight, the payment shall be based on the applicable refund value per pound rate.

(3) For commingled materials delivered from a dropoff or collection program, community service program or curbside program, payment shall be based on the

received weight of the commingled material, excluding the weight of line breakage, rejected, and out-of-state material, multiplied by the applicable commingled rate, or the ~~Division's~~ department's approved individual commingled rate.

(4) For commingled materials delivered from another recycling center, payment shall be based on the received weight of the commingled material, excluding the weight of line breakage, rejected, and out-of-state material, multiplied by the applicable commingled rate.

(5) For commingled materials delivered from consumers, payment shall be based on the received weight of the material, multiplied by the applicable commingled rate.

* * * *

(f) A certified recycler shall not pay the refund value to, or claim refund value for any material received from any person, operation or entity who is not certified by the ~~Division~~ department, delivering a load of material in excess of 100 pounds of aluminum or plastic beverage containers, or 1,000 pounds of glass beverage containers, per day. This limitation is applicable to all transactions, including those performed pursuant to section 2500(h) ~~of these regulations~~.

(1) It is a violation of this ~~Section~~ section for a recycling center to split loads in excess of the aforementioned weights, or accept during any one day an aggregate total of material in excess of the aforementioned weights from any person not certified by the ~~Division~~ department.

Authority cited: Sections 14530.5 and 14536, Public Resources Code. Reference: Sections 14538, 14552(a), 14572 and 14572.5, Public Resources Code.