# **Department of Resources Recycling and Recovery**

Covered Electronic Waste Recycling Fee for Video Display Devices

#### NOTICE OF PROPOSED EMERGENCY ACTION

NOTICE IS HEREBY GIVEN that the Department of Resources Recycling and Recovery (CalRecycle) is proposing emergency regulations to amend section 18660.40, Chapter 8.2, Division 7, Title 14, of the California Code of Regulations (CCR). Pursuant to Public Resources Code (PRC) section 42464(g), CalRecycle shall evaluate the covered electronic waste (CEW) recycling fee for video display devices no more frequently than annually, and no less frequently than biennially, and adjust them if warranted to ensure that there are sufficient revenues in the Electronic Waste Recovery and Recycling Account ("Account") to fund the CEW Recycling Program and all other provisions of the Act.

CalRecycle has complied with the requirement to provide notice of the proposed emergency rulemaking pursuant to Government Code section 11346.1(a)(2) and Title 1, CCR, section 50(b)(3)(A).

In compliance with Title 1, CCR, section 48, the following statement is included in this document: Government Code section 11346.1(a)(2) requires that, at least five working days prior to submission of the proposed emergency action to the Office of Administrative Law (OAL), the adopting agency provide a notice of the proposed emergency action to every person who has filed a request for notice of regulatory action with the agency. After submission of the proposed emergency regulation to OAL, OAL shall allow interested persons five calendar days to submit comments on the proposed emergency regulations as set forth in Government Code section 11349.6.

The five-calendar day written comment period permits any interested person, or their authorized representative, to submit written comments addressing the proposed emergency amendments to CalRecycle. Written comments, which offer a recommendation and/or objection, or support the proposed amendment, should indicate the amended section to which the comment or comments are directed.

Comments on the proposed emergency regulations must be submitted directly to OAL within five calendar days of when OAL posts the proposed emergency regulations on the OAL website. Comments on proposed emergency regulations should be submitted to the OAL Reference Attorney by mail to 300 Capitol Mall, Suite 1250, Sacramento, California 95814, by fax to (916) 323-6826, or by e-mail to <a href="mailto:staff@oal.ca.gov">staff@oal.ca.gov</a>.

When submitting a comment to OAL, a copy of the comment must also be submitted to CalRecycle via:

Electronic Submittal: Covered Electronic Waste Recycling Fee for Video Display Devices Regulations Comment Portal

OR

Postal Mail:

# Emma Cervantes Covered Electronic Waste Recycling Fee for Video Display Devices Department of Resources Recycling and Recovery, Regulations Unit 1001 "I" Street, MS-24B Sacramento, CA 95814

The comment must state that it is about an emergency regulation currently under OAL review and include the topic of the emergency.

The public comment period will commence on September 19, 2025, when the emergency regulations are posted on OAL's website. The public comment period will close on September 24, 2025. Written comments received by OAL and CalRecycle after the close of the public comment period are considered untimely. Additionally, CalRecycle requests that written comments reference a subsection or section of the proposed emergency action.

Please note that under the California Public Records Act (Government Code section 7920.000 et seq.), your written and oral comments, attachments, and associated contact information (e.g., your address, phone number, email address, etc.) become part of the public record and can be released to the public upon request.

Copies of the proposed regulation text, the Finding of Emergency, and all of the information upon which this proposal is based are available upon request and on CalRecycle's website accessible at the following internet address: <a href="https://www.calrecycle.ca.gov/Laws/Rulemaking/">www.calrecycle.ca.gov/Laws/Rulemaking/</a>.

The rulemaking file is also available for review during normal business hours at CalRecycle, 1001 I Street, 23rd Floor, Sacramento, California. Please contact the agency contact person, Emma Cervantes, at (916) 327-0089 or regulations@calrecycle.ca.gov, if you wish to review the rulemaking file in person. General or substantive questions regarding this file may also be directed to Emma Cervantes.

#### FINDING OF EMERGENCY

The adoption of these regulations is deemed to be an emergency pursuant to PRC Section 42475.2.

CalRecycle finds that an emergency exists to adopt regulations to implement statutory mandates of PRC sections 42464, 42464.2, and 42464.4. The current CEW recycling fee ("Fee") levels in section 18660.40 of the CCR Title 14 would be maintained in the proposed regulations and the effective dates would be updated from 2024 to 2026.

The CEW Recycling Program was established to provide a funding mechanism for proper end-of-life management of certain video display devices. A recycling fee paid by consumers of covered electronic devices (CEDs) at the time of retail purchase funds the CEW Recycling Program. CalRecycle has the responsibility to assess the adequacy of the Fee to ensure that there are sufficient revenues in the Account to fund the operation and administration of the CEW Recycling Program.

CalRecycle reviewed the existing Fee levels and made the determination to maintain the Fee at the current rates in each screen size category:

- Four dollars (\$4) for each CED with a screen size of less than 15 inches measured diagonally.
- Five dollars (\$5) for each CED with a screen size greater than or equal to 15 inches but less than 35 inches measured diagonally.
- Six dollars (\$6) for each CED with a screen size greater than or equal to 35 inches measured diagonally.

#### FINDING OF NECESSITY

The adoption of these emergency regulations is necessary to maintain the current Fee levels that expire on January 1, 2026.

CalRecycle proposes to amend the following section of the CCR, Title 14, Division 2, Chapter 8.2:

Section 18660.40 will be amended to update the fee effective dates from 2024 to 2026. This amendment is necessary because the existing regulations set forth in section 18660.40 will expire on January 1, 2026.

# TECHNICAL, THEORETICAL, AND/OR EMPIRICAL STUDY, REPORT OR DOCUMENTS RELIED UPON

CalRecycle utilized the following sources in the development of the proposed regulations:

- Attachment 1: Economic and Fiscal Impact Statement (STD 399)
- Attachment 2: Request for Approval (RFA)
- Attachment 3: Background and Summary of Program Costs and Revenue Need
- Attachment 4: Historical CEW Recycling Claim Volumes
- Attachment 5: Fee Model and Analysis
- Attachment 6: Proposed Revised Regulatory Language to Maintain the CEW Recycling Fee
- Attachment 7: Department of Toxic Substances Control Collaboration Email

#### **AUTHORITY**

CalRecycle adopts these emergency regulations to remain in effect for two years under the authority granted by PRC sections 40502 and 42475.2. The Request for Approval is included as Attachment 2.

#### REFERENCE

CalRecycle makes reference to specific statutory provisions in PRC sections 42464, 42464.2, and 42464.4.

#### INFORMATIVE DIGEST

The Electronic Waste Recycling Act of 2003 (PRC section 42460, et seq.) ("the Act") established a variety of measures intended to develop an infrastructure to provide convenient recycling opportunities, reduce the inappropriate disposal of certain electronic products, limit the sale of certain hazardous products in the state, and require notification and/or reporting of product sale and waste management activities.

The most publicly visible aspect of the Act is the CEW Recycling Program administered primarily by CalRecycle. The CEW Recycling Program is funded through a Fee paid by consumers of CEDs at the time of retail purchase. Accumulated funds are deposited in the Electronic Waste Recovery and Recycling Account and used to compensate approved collectors and recyclers of CEW through standard payment rates designed to offset the average net cost of providing recovery and recycling services.

Pursuant to PRC section 42464(g), CalRecycle has the responsibility to evaluate the program's revenue needs and to adjust the Fee levels as warranted to maintain fund solvency and ensure continued operation of the CEW Recycling Program.

The adequacy of the Fee may be evaluated by CalRecycle no more frequently than annually, and no less frequently than biennially, and adjusted as warranted (PRC section 42464(g)). Any necessary adjustments are enacted via CalRecycle's emergency regulation authority.

# **Summary Of Existing Laws And Effect Of The Proposed Action**

The current Fee levels are as follows:

- Four dollars (\$4) for each CED with a screen size of less than 15 inches measured diagonally.
- Five dollars (\$5) for each CED with a screen size greater than or equal to 15 inches but less than 35 inches measured diagonally.
- Six dollars (\$6) for each CED with a screen size greater than or equal to 35 inches measured diagonally.

(CCR, Title 14, section 18660.40)

CalRecycle must make necessary determinations regarding the Fee by the statutory date of August 1, and any changes become effective the following January. The RFA to maintain the rates was presented at the July 2025 Monthly Public Meeting and approved by the Director. The existing regulations set forth in section 18660.40 will expire on January 1, 2026 (see Attachment 6). CalRecycle intends to maintain the current Fee levels. The proposed emergency regulations will be adopted with changes made only to the effective dates in CCR, Section 18660.40.

# Policy Statement Overview/Anticipated Benefits of Proposal

Pursuant to PRC section 42464(g), CalRecycle has the responsibility to evaluate the CEW Recycling Program's revenue needs and to adjust the Fee levels as warranted to maintain fund solvency and ensure continued operation of the program. The objective of the proposed regulation is to maintain the Fee to ensure appropriate revenue levels in the Account and fund the statewide CEW Recycling Program while not charging an excess amount to consumers.

The proposed amendments will provide several benefits. Maintaining the current fee levels will ensure that approved collectors and recyclers in the CEW Recycling Program are able to continue providing consumers with opportunities to collect and recycle CEW. This benefits the environment and public health and safety in that it reduces the amount of electronic waste that gets sent to landfills instead of being recycled or the amount of electronic waste that is improperly managed.

No benefits are anticipated related to the protection of worker safety, the prevention of discrimination, the promotion of fairness or social equity, or the increase in openness and transparency in business and government.

# Consistency and Compatibility with State Regulations

Pursuant to Government 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

No documents or forms are incorporated by reference in the proposed regulation.

#### **EXISTING COMPARABLE FEDERAL REGULATION OR STATUTE**

CalRecycle has determined that the proposed regulations do not significantly differ from federal law because there are no existing comparable federal statutes or regulations in this subject area.

# OTHER STATUTORY REQUIREMENTS (GOVERNMENT CODE SECTIONS 11346.1(b) AND 11346.5(a)(4))

CalRecycle complied with PRC section 42464(g), requiring it to collaborate with the Department of Toxic Substances Control (DTSC) when reviewing the Fee structure.

CalRecycle collaborated by electronic correspondence with DTSC and agreed to maintain the current Fee structure (Attachment 7).

#### ANTICIPATED BENEFITS

The objective of the proposed regulation is to maintain the Fee to ensure appropriate revenue levels in the Account and fund the statewide CEW Recycling Program while not charging an excess amount to consumers.

The proposed amendments in these regulations achieve the objectives of the authorizing statute to adjust the Fee levels as warranted to maintain fund solvency and ensure continued operation of the CEW Recycling Program. The proposed amendments will provide the following anticipated benefits that are aligned with these objectives:

- Maintaining the current fee levels will ensure that approved collectors and recyclers in the CEW Recycling Program are able to continue providing consumers with opportunities to collect and recycle CEW.
  - This benefits the environment and public health and safety in that it reduces the amount of electronic waste discarded in landfills or the amount of electronic waste that is improperly managed.

#### MANDATES ON LOCAL AGENCIES OR SCHOOL DISTRICTS

CalRecycle has determined that the proposed regulations do not impose a mandate on local agencies or school districts.

#### 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 pursuant to section 6 of Article XIII B of the California Constitution and Part 7 of Division 4 of the Government Code Section 17500 et seq.

# Cost or Savings to Any State Agency

CalRecycle has determined that adoption of these regulations does not have a cost to state agencies. Instead, the Fee levels are set to ensure base solvency for the continued operation of the CEW Recycling Program and maintain a prudent fund balance.

# Non-Discretionary Cost or Savings Imposed Upon Local Agencies

CalRecycle has determined that there are not 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.