

Department of Resources Recycling and Recovery

Covered Battery-Embedded Waste Recycling Fee

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(b)(3), on or before October 1, 2025, and on or before October 1 each year thereafter, CalRecycle is required to establish a covered electronic waste (CEW) recycling fee for covered battery-embedded products (CBEPs) based on the reasonable regulatory costs to administer CEW recycling. The CEW recycling fee for CBEPs is herein referred to as the “covered battery-embedded waste recycling fee.”

CalRecycle proposes setting the covered battery-embedded waste recycling fee at 1.5 percent of the retail sales price for each CBEP sold by a retailer for use in this state, not to exceed \$15.00. “Retail sales price” shall have the same meaning as “sales price” in Section 6011 of the Revenue and Taxation Code. The proposed covered battery-embedded waste recycling fee emergency regulations will take effect on January 1, 2026, pursuant to PRC Section 42464(b)(3).

On and after January 1, 2026, the covered battery-embedded waste recycling fee must be charged at the point of retail purchase of a new or refurbished CBEP. (PRC Section 42464(b)(1).)

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 staff@oal.ca.gov.

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

Electronic Submittal: [Covered Battery-Embedded Waste Recycling Fee Public Comment Portal](#)

OR

Postal Mail:

Emma Cervantes
Covered Battery-Embedded Waste Recycling Fee
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 November 20, 2025, when the emergency regulations are posted on OAL's website. The public comment period will close on November 25, 2025. **Written comments must be sent to OAL and CalRecycle and received before the close of the public comment period on November 25, 2025.** 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:
www.calrecycle.ca.gov/Laws/Rulemaking/.

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

CalRecycle finds that an emergency exists to adopt regulations to implement statutory mandates of PRC Sections 42464, 42464.2, and 42464.4. Pursuant to PRC Section 42464(b)(3), CalRecycle shall establish a covered battery-embedded waste recycling fee on or before October 1, 2025. The fee level is based on the reasonable regulatory costs to administer battery-embedded CEW recycling and shall be imposed upon the purchase of a new or refurbished CBEP at the point of retail sale beginning January 1, 2026. (PRC Sections 42464(b)(3) and 42464(b)(1)).

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

“(a) CalRecycle and DTSC may each adopt regulations to implement and enforce this chapter as emergency regulations.

(b) The emergency regulations adopted pursuant to this chapter shall be adopted in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, and for purposes of that chapter, including Section 11349.6 of the Government Code, the adoption of these regulations is an emergency and shall be considered by the Office of Administrative Law as necessary for the immediate preservation of the public peace, health, safety, and general welfare. Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, any emergency regulations adopted by CalRecycle or DTSC pursuant to this section shall be filed with, but not be repealed by, the Office of Administrative Law and shall remain in effect for a period of two years or until revised by DTSC or CalRecycle, whichever occurs sooner.”

OAL approved the Covered Electronic Waste Recycling Fee for Video Display Devices on September 29, 2025, with a requested effective date of January 1, 2026. This rulemaking action made separate changes to Title 14, CCR, Division 7, Chapter 8.2, Section 18660.40 that are not currently in print, specifically changing the dates in the existing language from 2024 to 2026. The version of the regulatory text that is in this rulemaking file includes all changes that were incorporated by the Covered Electronic Waste Recycling Fee for Video Display Devices rulemaking package and approved on September 29.

FINDING OF NECESSITY

The CEW Recycling Program was established to provide a funding mechanism for the 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. Senate Bill (SB) 1215 (Newman, Chapter 370, Statutes of 2022) amended the Electronic Waste Recycling Act of 2003 (PRC Section 42460, et

seq.) (“the Act”), by adding CBEPs to the CEW Recycling Program. CalRecycle intends to set the first covered battery-embedded waste recycling fee at 1.5 percent of the retail sales price for each CBEP sold for use in this state by a retailer. The regulations also aim to set a cap of \$15 on the covered battery-embedded waste recycling fee.

CalRecycle proposes to amend Title 14, CCR, Division 7, Chapter 8.2, Section 18660.40 to add the covered battery-embedded waste recycling fee of 1.5 percent of the retail sales price for each CBEP sold for use in this state by a retailer, not to exceed \$15.00. These amendments are necessary to ensure CalRecycle meets the statutory requirements in PRC Sections 42464(b)(1) and (3), which mandate a covered battery-embedded waste recycling fee level, based on the reasonable regulatory costs to administer CEW recycling, be imposed upon the purchase of a new or refurbished CBEP beginning January 1, 2026.

CalRecycle determined that a 1.5% fee was necessary based on its estimates of the initial costs to administer the program, market research and internal analysis, which included estimating annual CBEP sales in California, a multi-method analysis comparing market data of likely CBEP product types and consumer spending within these product types from the Bureau of Economic Analysis (BEA) Personal Consumption Expenditure (PCE) data, with an ultimate conclusion that 1.5% would cover regulatory costs for the program in its first year of implementation.

CalRecycle held a hybrid public workshop on May 28, 2025 to solicit feedback from interested parties on the proposed battery embedded waste recycling fee and its methodology.

CalRecycle further determined that a fee cap of \$15 is necessary to ensure that the reasonable regulatory costs to administer CEW recycling are met while not imposing an excessive fee on high-priced products. CalRecycle considered a fee cap in response to comments made by the Swiss Watch Federation, the American Watch Association, and the Consumer Technology Association following the public workshop, which expressed concerns about the fee not being capped at a specified dollar amount. These comments highlighted that, without a cap, luxury products such as luxury watches with an embedded battery could have a very high covered battery-embedded waste recycling fee. Similar concerns were raised about industrial machinery with embedded batteries.

For additional information regarding how and why CalRecycle established a fee of 1.5 percent of the retail sales price for each CBEP sold for use in this state by a retailer and a \$15.00 fee cap, please see Attachment 4: Covered Battery-Embedded Waste Recycling Fee Methodology.

Director Heller established the proposed covered battery-embedded waste recycling fee on September 16, 2025. Please see Attachment 3: Request for Approval (RFA) for more information. These regulations are necessary to formally promulgate the fee and fee cap.

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:** STD 399 Supplemental Information
- **Attachment 3:** Request for Approval (RFA)
- **Attachment 4:** Covered Battery-Embedded Waste Recycling Fee Methodology
- **Attachment 5:** Department of Toxic Substances Control Collaboration Email
- **Attachment 6:** Consumer Technology Association, Comments on the SB 1215 Covered Battery-Embedded Products Informal Rulemaking Comment Period, submitted June 5, 2025
- **Attachment 7:** American Watch Association, Public Comment on the Proposed Covered Battery Embedded Product Waste Recycling Fee Regulations (SB 1215), submitted July 7, 2025
- **Attachment 8:** Swiss Watch Industry Federation, Comment on proposed covered battery-embedded waste recycling fee regulations (SB 1215), submitted July 11, 2025
- **Attachment 9:** [California: 2020 Census, United States Census Bureau](#), accessed February 28, 2025
- **Attachment 10:** Byrne, David M., Daniel E. Sichel, and Ana Aizcorbe (2019). "Getting Smart About Phones: New Price Indexes and the Allocation of Spending Between Devices and Services Plans in Personal Consumption Expenditures," Finance and Economics Discussion Series 2019-012. Washington: Board of Governors of the Federal Reserve System, <https://doi.org/10.17016/FEDS.2019.012>
- **Attachment 11:** [U.S. Bureau of Economic Analysis, "Table 2.4.5U Personal Consumption Expenditures by Type of Product"](#), accessed February 28, 2025
- **Attachment 12** Statista, Smartphones in the U.S. - statistics & facts 2025 [U.S. smartphone market – Statistics & Facts | Statista](#)
- **Attachment 13** Statista: Computer peripherals, Statistics report on computer peripherals, 2023 [Computer peripherals | Statista](#)

- **Attachment 14** [Bank My Cell, U.S. Smartphone Market Share](#) (2025), accessed February 28, 2025
- **Attachment 15:** Department of Toxic Substances Control, How is California Doing with Recycling Cell Phones? | Department of Toxic Substances Control, <https://dtsc.ca.gov/cell-phone-recycling/>, accessed February 28, 2025
- **Attachment 16** Grand View Research, Wireless Mouse Market Size, Share & Trends Analysis Report By Product (Radio Frequency, Bluetooth), By Distribution Channel (Online, Offline), By Region (Europe, APAC, North America, MEA), And Segment Forecasts, 2025 – 2030 [Wireless Mouse Market Size & Share | Industry Report, 2030](#)
- **Attachment 17:** Grand View Research, U.S. Electric Shavers Market Size, Share & Trends Analysis Report By Product Type (Trimmers / Clippers, Rotary Shavers, Foil Shavers), Competitive Landscape, And Segment Forecasts 2018 – 2025 [U.S. Electric Shavers Market Size & Share | Industry Report, 2018-2025](#)
- **Attachment 18:** Grand View Research, Massage Equipment Market Size, Share & Trends Analysis Report By Product (Massage Chairs & Sofas, Handheld Massagers, Back Massagers, Neck & Shoulder Massagers), By Application (Commercial, Home), By Region, And Segment Forecasts, 2025 – 2030 [Massage Equipment Market Size | Industry Report, 2030](#)
- **Attachment 19:** Next Move Strategy Consulting (NMSC): U.S. Electric Shaver Market by Type (Rotary Shavers, Foil Shavers, and Clippers & Trimmers), by Power Source (Battery Powered, and Rechargeable or Cordless), by Usage (Dry Electric Shavers, and Wet and Dry Electric Shavers), by Distribution Channel (Online, and Offline), by End-User (Men, and Women) – Opportunity Analysis and Industry Forecast 2024–2030 [U.S. Electric Shaver Market Size and Share | Statistics - 2030](#)
- **Attachment 20:** Grand View Research, Wireless Audio Devices Market Size, Share, & Trends Analysis Report By, Product (Earphone, Headphone), By Functionality, By Technology, By Application, By Region, And Segment Forecasts, 2023 – 2030 [Wireless Audio Devices Market Size & Share Report, 2030](#)
- **Attachment 21:** Grand View Research, Electric Toothbrush Market Size, Share & Trends Analysis Report By Technology (Vibrational, Rotational), By End Use (Adults, Children), By Region (North America, Europe), And Segment Forecasts, 2025 – 2030 [Electric Toothbrush Market Size, Share | Industry Report 2030](#)
- **Attachment 22:** Grand View Research, Smartphone Market Size, Share & Trends Analysis Report By Application, Regional Outlook, Competitive Strategies, And Segment Forecasts, 2019 To 2025 [Smartphone Market Size, Share | Global Industry Report, 2025 - 2030](#)
- **Attachment 23:** Android Authority, Average Smartphone cost in North America Jumps \$119, <https://www.androidauthority.com/average-smartphone-cost-2023-3331896/>, accessed February 28, 2025
- **Attachment 24:** [Statistics Times, List of North American Countries by GDP](#) , accessed February 28, 2025.
- **Attachment 25:** [Electronics Sourcing, ECIA Top 50 America's Authorized Distributors Report 2023](#) , accessed February 28, 2025.

- **Attachment 26:** State of California Budget Change Proposal (BCP) 3970-020-BCP-2023-GB, Battery Embedded Waste: Implementation (SB 1215), Fiscal Year 2023-24.
- **Attachment 27:** 2025-26 Governor's Budget – EP 18, Electronic Waste Recovery and Recycling Account (3065), Integrated Waste Management Fund.
- **Attachment 28:** [State of California - Civil Service Pay Scale](#), accessed (June 2, 2025).
- **Attachment 29:** Covered Battery-Embedded Waste Recycling Fee Workshop Presentation (presented May 28, 2025)

AUTHORITY

CalRecycle adopts these emergency regulations to remain in effect for two years under the authority granted by PRC Sections 40502 and 42475.2.

REFERENCE

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

INFORMATIVE DIGEST

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 CEW recycling fee paid by consumers of CEDs at the time of retail purchase. Accumulated funds are deposited in the Electronic Waste Recovery and Recycling Account (EWRRA) 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. (PRC Section 42476). All covered battery-embedded waste recycling fees collected from sales of battery-embedded products shall be deposited into the Covered Battery-Embedded Waste Recycling Fee Subaccount. (PRC Section 42476(b)(1)).

Summary of Existing Laws and Effect of the Proposed Action

SB 1215 amended the Act by adding CBEPs to the CEW Recycling Program. Pursuant to Public Resources Code (PRC) Section 42463(f)(1), CBEP “means a product containing a battery from which the battery is not designed to be easily removed from the product by the user of the product with no more than commonly used household tools.” The law includes several exclusions, which are detailed in the statute. (See, PRC Section 42463(f)(2)).

PRC Sections 42464(b)(1) and 42464(b)(3) mandate a covered battery-embedded waste recycling fee level based on the reasonable regulatory costs to administer

battery-embedded CEW recycling. The covered battery-embedded waste recycling fee must be imposed upon the purchase of a new or refurbished CBEP at the point of retail purchase beginning January 1, 2026. Fees collected will be deposited in the Covered Battery-Embedded Waste Recycling Fee Subaccount. (PRC Section 42476(b)(1)).

Policy Statement Overview/Anticipated Benefits of Proposal

Pursuant to PRC Section 42464(b)(3), CalRecycle must establish a covered battery-embedded waste recycling fee by October 1, 2025. CalRecycle proposes setting the covered battery-embedded waste recycling fee at 1.5 percent of the retail sales price for each CBEP sold for use in this state by a retailer. CalRecycle established a fee cap of \$15 in response to feedback from interested parties, following a CBEP fee rulemaking workshop on May 28, 2025, who raised concerns that there should be a cap to address CBEPs that can be thousands to millions of dollars.

The proposed amendments will provide several benefits. Establishing the covered battery-embedded waste recycling fee will ensure that approved collectors and recyclers in the CEW Recycling Program are able to begin providing consumers with convenient and free opportunities for collection and recycling of battery-embedded CEW. This benefits the environment and public health and safety in that it reduces the amount of electronic waste discarded in landfills and the amount of electronic waste that is improperly managed. A \$15 fee cap ensures that the reasonable regulatory costs to administer the CEW recycling program are covered while minimizing an excessive burden on high priced items.

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

ANTICIPATED BENEFITS

The goal of SB 1215 is to reduce the amount of CBEPs discarded in landfills, reduce improper disposal and management of batteries, and maximize recycling of CBEPs. To accomplish these goals, CalRecycle must establish a covered battery-embedded waste recycling fee based on the reasonable regulatory costs to administer covered electronic waste recycling. (See PRC Section 42464(b)(3).)

The proposed amendments in these regulations achieve the objectives of the authorizing statute to establish a CEW recycling fee for CBEPs by October 1, 2025, that will take effect on January 1, 2026. The proposed amendments will provide the following anticipated benefits that are aligned with these objectives:

- Establishing the covered battery-embedded waste recycling fee will ensure that approved CEW Recycling Program collectors and recyclers are able to begin providing consumers with free and convenient opportunities for battery-embedded CEW to be collected and recycled.
- Establishing a 1.5% fee and a \$15 fee cap ensures that the reasonable regulatory costs to administer the CEW recycling program are covered while minimizing an excessive fee on high-priced items.
- This benefits the environment and public health and safety in that it reduces the amount of electronic waste sent to landfills and maximizes recycling opportunities.

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

The total estimated cost to the state for implementing the proposed regulations is \$9,821,721, which includes fiscal impacts to both CalRecycle (\$8,012,721) and the Department of Toxic Substances Control (DTSC) (\$1,809,000).

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.